



**WASHINGTON STATE
GAMBLING COMMISSION PUBLIC
MEETING - November 16, 2021**

Gambling Commission Headquarters
Lacey, WA

COMMISSIONERS



Bud Sizemore
Chair



Julia Patterson
Vice Chair



Alicia Levy

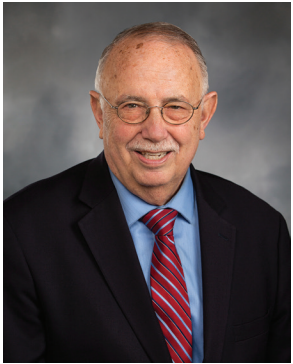


Kristine Reeves



Sarah E. Lawson

EX OFFICIOS



Senator
Steve Conway



Senator
Jeff Holy



Representative
Shelley Kloba



Representative
Brandon Vick



Washington State Gambling Commission

P.O. Box 42400 | Olympia, WA 98504-2400

(360) 486-3469 | (800) 345-2529 | www.wsgc.wa.gov



WAGamblingCommission



WAGambling



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STATE OF WASHINGTON

GAMBLING COMMISSION

“Protect the Public by Ensuring that Gambling is Legal and Honest”

Gambling Commission Meeting Agenda

Tuesday, November 16, 2021

[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

<p>Tab 1 9:00</p>	<p>Call to Order <i>Bud Sizemore, Chair</i></p> <ul style="list-style-type: none"> New Commissioner Introduction - Sarah E. Lawson <p>*Consent agenda (Action)</p> <ul style="list-style-type: none"> October 14, 2021 Commission Meeting Minutes October 27, 2021 Special Commission Meeting Minutes New Licenses and Class III Employees License Sports Wagering Vendor Reports <p>Interim Director’s Report <i>Tina Griffin, Interim Director</i></p> <ul style="list-style-type: none"> Staff Introduction - Kriscinda Hansen, CFO Staff Recognition - Michelle Rancour Interim Director’s report
<p>Tab 2</p>	<p>Sauk Suiattle Indian Tribe (Action)</p> <ul style="list-style-type: none"> Compact Amendment Hearing <p style="text-align: right;"><i>Honorable Nino Maltos II, Chairman Sauk Suiattle Indian Tribe</i> <i>Kehl Van Winkle, Legal Counsel, mctlaw</i> <i>Tina Griffin, Interim Director</i> <i>Julie Lies, Tribal Liaison</i></p>
<p>Tab 3</p>	<p>Presentation - Sports Wagering Report (Action)</p> <p style="text-align: right;"><i>Dr. Kahlil Philander, Washington State University</i> <i>Tina Griffin, Interim Director</i></p>
<p>Tab 4</p>	<p>Presentation - IT Modernization</p> <p style="text-align: right;"><i>Sayee Vaitheesvaran, Chief Information Officer</i></p>
<p>Tab 5</p>	<p>Presentation – Staffing Update</p> <p style="text-align: right;"><i>Tina Griffin, Interim Director</i></p>
<p>Tab 6</p>	<p>*RULE UP FOR DISCUSSION ONLY</p> <p>Chapter 230-23 WAC- Self-Exclusion.</p> <p style="text-align: right;"><i>Ashlie Laydon, Rules Coordinator</i></p>
<p>Tab 7</p>	<p>* RULE UP FOR DISCUSSION ONLY</p> <p>Chapter 230-19 WAC- Sports Wagering.</p> <p style="text-align: right;"><i>Ashlie Laydon, Rules Coordinator</i></p>
<p>Tab 8</p>	<p>* RULE UP FOR DISCUSSION ONLY</p> <p>Applying for a gambling service supplier license.</p> <p style="text-align: right;"><i>Ashlie Laydon, Rules Coordinator</i></p>

Tab 9	<p>* RULE UP FOR DISCUSSION ONLY WAC 230-15-050 Minimum cash on hand requirements.</p> <p style="text-align: right;"><i>Ashlie Laydon, Rules Coordinator</i></p>
Tab 10	<p>*DEFAULTS (Action and Possible Closed Session)</p> <ul style="list-style-type: none"> • Marcus Smith; CR 2020-01067 • Konthea Chum; CR 2021-00047 • Miao J. Li; CR 2021-00310 • Colleen Davis; CR 2021-00685 • Robby Denuyl; CR 2021-00751 • Han Lam; CR 2021-00759 <p style="text-align: right;"><i>Adam Teal, Interim Legal Manager</i></p>
Tab 11	<p>Director Hire Update</p> <p style="text-align: right;"><i>Julia Patterson, Vice Chair</i></p>
	Public Comment
<p>Public Comment can be provided:</p> <ul style="list-style-type: none"> • Before and during the Commission meeting you may email Julie.Anderson@wsgc.wa.gov ; or • During the meeting you may use the Microsoft Office Teams Chat Box; • If you are attending the meeting by phone, we will offer you an opportunity to comment. 	
	<p>Executive Session – Closed to the Public <i>Bud Sizemore, Chair</i> Discuss potential agency litigation with legal counsel, including tribal negotiations.</p>
	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***



STATE OF WASHINGTON
GAMBLING COMMISSION

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

Welcome Sarah Lawson, Commissioner



Sarah Lawson works with tribal governments and tribal entities to achieve self-governance and economic development goals while protecting tribal resources and sovereignty. Before joining Schwabe, Sarah spent over 10 years working in tribal government, advising tribal council and tribal departments on a variety of matters including contracts, real estate development, and legislation. Sarah's work is particularly focused on tribal tax and real estate matters, and she is widely regarded as an authority on issues involving Indian trust land. Sarah understands the importance of bringing business to Indian Country to strengthen tribal economies. She frequently advises companies doing business in Indian Country, helping them navigate tribal and federal laws and contracts with tribal entities. She also works with tribes and tribal members on estate planning and probate matters. Sarah is an enrolled member of the Iowa Tribe of Kansas and Nebraska.

Term Expires: Jun 30, 2027



STATE OF WASHINGTON
GAMBLING COMMISSION

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

October Gambling Commission Meeting Minutes

Virtual Meeting

*October 14, 2021

Commissioners Present:

Bud Sizemore, Chair (Via Teams)

Julia Patterson (Via Teams)

Alicia Levy (Via Teams)

Kristine Reeves (Via Teams)

Ex Officio Members Present:

Senator Steve Conway (Via Teams)

Representative Shelley Kloba (Via Teams)

Staff Present – Virtually:

Tina Griffin, Interim Director; Julie Lies, Tribal Liaison (TL); Ashlie Laydon, Rules Coordinator (RC); Adam Teal, Acting Legal Manager; Rashida Robbins, Administrative Assistant and Suzanne Becker, Assistant Attorney General.

Vice Chair Patterson called the virtual meeting to order at 9:01AM. After ensuring a quorum, Commissioners Reeves, Levy and Vice Chair Patterson immediately convened into Executive Session to discuss with legal counsel the risk of litigation, to which the commission is likely to become a party. Chair Sizemore joined the Executive Session at 9:05AM. Executive Session adjourned at 10:00AM.

Chair Sizemore called the public meeting to order at 10:04AM. Interim Director Griffin called the role to ensure a quorum. Chair Sizemore asked for a moment of silence to acknowledge any law enforcement officers that have been lost since the last time the commission met.

Interim Director's Report

Interim Director Tina Griffin provided a brief update on sports wagering adding, 17 Tribal-State Compact Amendments authorizing sports wagering have been approved by the Gambling Commission, 15 have been signed by the Governor, 13 have been published in the Federal Register, and 1 through a Memorandum of Incorporation. Currently, Snoqualmie Indian Tribe is the only sportsbook open to date. She also updated Commissioners regarding the on-going enforcement efforts involving illegal online sports wagering.

Tab 1

Consent Agenda

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

Commissioner Levy seconded the motion.

The motion passed. 4:0

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

Tab 2

Muckleshoot Indian Tribe Compact Amendment Hearing

Honorable Donny Stevenson, Vice Chair, Muckleshoot Tribal Council, Tina Griffin, Interim Director; Julie Lies, Tribal Liaison presented the material for this tab. **Interim Director Griffin** explained the process and **Tribal Liaison Lies** provided a detailed account of the compact changes to the Tribe's Amendment. She explained that the Amendment will include new provisions for the Tribe that do not exist in other tribes' Compacts regarding security features for the Tribal Lottery System. The Amendment will also include wager limits from \$1,000 to \$5,000 if pre-screened for 25% of table games in operation. **Vice Chair Stevenson** gave a short presentation of the tribe's history and accomplishments and thanked the commission for this opportunity.

Public Comment

There was no public comment.

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

Senator Conway seconded the motion.

The motion passed 6:0

Chair Sizemore

Vice Chair Patterson

Commissioner Levy

Commissioner Reeves

Senator Conway

Representative Kloba

Next steps include forwarding the agreement to Governor Jay Inslee for his signature and final execution.

Tab 3

Chapter 230-23 WAC- Self-Exclusion.

Ashlie Laydon, Rules Coordinator presented the materials for this tab. RC Laydon provided draft language with revisions for statewide self-exclusion rules, adding ways for gambling treatment counselors to sign the forms to confirm identities of self-exclusion participants. In addition, staff added a three-year enrollment option. The agency also committed to exploring an online enrollment process after their computer modernization project is finished. Commissioners had a rich discussion regarding the rollout plan and asked staff to make the process to enroll in the program as easy as possible.

Commissioner Patterson asked AAG Becker if the monies forfeited could be allotted to a particular place. AAG Becker said that *"the forfeited funds are to go to the Problem Gambling Fund and/or a charitable or nonprofit organization that provides Problem Gambling Services or increases awareness about problem gambling pursuant to rules adopted by the commission"*.

Commissioners and staff took a short break while staff worked on suggested language changes. The proposed rule language change is as follows: "The licensee will issue checks to the same monetary value confiscated within three business days after collecting or refusing to pay any

winnings from gambling or chips in the possession of a participant on the self-exclusion list as follows. A, a minimum of 70% of the confiscated funds must be dispersed to the problem gambling account created in RCW 42.05.751, and B, the remainder of the confiscated funds, if any, must be distributed to a charitable or nonprofit organization that provides gambling disorder services or increases awareness about gambling disorders."

(We had other rule changes read into the record as well. Do we need to insert all of that in here? Please check with Ashlie to make sure the above is correct.)

Public Comment

Tana Russell, Assistant Director at the Evergreen Council on Problem Gambling spoke to the commission. She asked about why the term "problem gambling" was changed to "gambling disorder", because in her opinion she said that it narrows the population it captures a bit. She followed up by saying, "problem gambling is a term used more loosely to describe the outreach or treatment work. Gambling disorder is the clinical diagnosis where they have to meet at least four out of nine diagnostic criteria".

Roxane Waldron, Problem Gambling Program Manager had a correction to RCW 41.05.751, it says 42 in the rule.

Commissioner Patterson move to approve the draft language as amended for further discussion and for staff to make non-substantive modifications for clarity as presented by staff.

Commissioner Levy seconded the motion.

The motion passed 4-0

Tab 4

Chapter 230-19 WAC- Sports Wagering.

Ashlie Laydon, Rules Coordinator presented the materials for this tab. RC Laydon stated that in April and May 2021, the Commission reached a tentative sport wagering Compact Amendment with fifteen Tribes. At the June 10, 2021 public meeting, Commissioners chose to file draft language for further discussion. Draft language was filed with the Office of the Code Reviser on June 23, 2021 and was published in the Washington State Register (WSR 21-13-165) on July 7, 2021 for further discussion. At the July 8, 2021 public meeting, Commission staff was directed to provide Commissioner's rule options for consideration at our July 28, 2021 special meeting. Based on comments and concerns received, especially concerns centered on proposed rules in chapter 230-19 WAC, Commissioners directed staff to continue to work with stakeholders on chapter 230-19 WAC with the intent of bringing draft language back at the October 14, 2021 public meeting. Stakeholder feedback was as followed:

- Staff met with GeoComply, at their request, on September 9, 2021 who expressed concerns that a number of the sections had been struck, the GLI requirements had been removed, and were seeking clarification on operational requirements.
- A meeting was held with Tribal leaders and representatives on September 15, 2021 to discuss the proposed rules. The general feedback received was that the proposed rules were too broad and that the tribal-state sports wagering compact amendments are the governing authority over sports wagering, and therefore rules are not necessary. Suggested that if language is necessary, then one rule would be sufficient to specify that sports wagering vendors may facilitate sports wagering only as authorized by and compliant with tribal gaming compact and/or internal controls.

- Written feedback was received from FanDuel who expressed concerns over the timeliness of unusual and suspicious reporting requirements.
- A stakeholder meeting was held on September 22, 2021 to discuss the draft rules with those stakeholders who have a vested interest in sports wagering, primarily sports wagering vendors. Feedback received at this meeting was related to the removal of GLI requirements, and clarification of the timeline for these rules.

Public Comment

Tim Woolsey, council for Suquamish Tribe said, *“I just wanted to say that we're disappointed that the commission is ignoring the requests by the tribes, and just want to remind the commission that the state of Washington has waived its sovereign immunity under the Compacts, and if we're continuing down this path, the tribes may seek other remedies to fix the situation. Thanks”*.

Senator Conway addressed Mr. Woolsey by saying, *“He was very familiar with the process of waiving sovereign immunity. We have done this at different times in the legislature and at the request of the tribes. I guess what I'm asking you, is that what you think needs to be done, in terms of this rulemaking that there is an approach with the tribes on waiving sovereign immunity?”*

Tim Woolsey said *“the state's attempt to regulate Indian gaming has been well litigated. And this is just another sign of that, and the tribes aren't happy about it. And the sovereign immunity waiver is a method for resolving those conflicts through an external body.*

Commissioner Patterson moved to approve the draft rule language for further discussion as presented by staff.

Chair Sizemore seconded the motion.

The motion passed 3-0

Commissioner Levy was absent.

Tab 5

Applying for a gambling service supplier license.

Ashlie Laydon, Rules Coordinator presented the materials for this tab. RC Laydon stated that in July 2021, Commissioners chose to take final action on rules to address licensing and regulation, and licensing fees consistent with the Gambling Act and recently negotiated tribal-state sports wagering compact amendments. As part of these Compact Amendments, sports wagering systems need to be tested and certified by an independent testing lab to ensure they meet or exceed GLI-33 standards and provisions outlined in Compact and Appendices. Independent Testing Labs must be licensed by both the Tribe(s) and the Gambling Commission. WSGC staff does this is through a gambling service supplier license, and therefore WAC 230-03-210, Applying for a gambling service supplier license, must be amended to include performing the testing and certification of sports wagering systems as a service requiring a gambling service supplier license. WAC 230-11-305- Electronic raffle systems, was presented for final action. This rule requires an independent testing lab, licensed by us, to perform testing and certification of electronic raffle systems to ensure the system meets or exceeds GLI-31 and complies with Washington gambling laws and rules before the electronic raffle system will be authorized to be brought into this state. Therefore, amending WAC 230-03-210, Applying for a gambling service supplier license, to include performing the testing and certification of gambling

equipment as required by Title 230 WAC will cover the testing of electronic raffle systems and any future gambling equipment, we may require certification by an independent testing lab.

Chair Sizemore asked if there was an independent test lab only does GLI-33 testing or only sports wagering equipment testing that we know of. (What was our answer?)

Commissioner Patterson moved to approve the draft rule language for further discussion as presented by staff.

Commissioner Reeves seconded the motion.

The motion passed 3-0

Commissioner Levy was absent.

Tab 6

Minimum cash on hand requirements.

Ashlie Laydon, Rules Coordinator presented the materials for this tab. Ann Huysmans, of Galaxy Gaming Inc., Las Vegas, Nevada, is proposing to amend WAC 230-15-050, Minimum cash on hand requirements, to allow operators who are running house-banked jackpots to keep the required jackpot money in a separate, off-site bank account rather than on the premises. The petitioner feels this change is needed because operators have expressed security concerns associated with keeping large sums of money on the premises. The petitioner feels the effect of this rule change would reduce the risk of burglaries, theft, misappropriation of funds associated with having large sums of cash on the premises. The petitioner feels that this rule change would allow for increased accountability and tracking of funds as financial institutions are heavily regulated and maintain numerous records for various regulators, both at the federal and state level. **RC Laydon** stated that at the August 2021 public meeting, Commissioners accepted a petition and chose to initiate rule-making to address minimum cash on hand requirements, including keeping jackpot money in a separate, off-site bank account rather than on the premises. Staff recognizes the petitioner's safety concerns for card rooms and for players leaving card rooms with large sums of money on their persons.

Commissioner Patterson moved to approve the draft rule language for further discussion as presented by staff.

Commissioner Reeves seconded the motion.

The motion passed 3-0

Commissioner Levy was absent.

Tab 7

Electronic Raffles

Ashlie Laydon, Rules Coordinator presented the materials for this tab. RC Laydon said that at the March 2020 meeting, Commissioners accepted a petition and chose to initiate rule-making to allow sports teams charitable foundations to operate electronic raffles at sporting events. At the August 2021 meeting, Commissioners chose to file draft language for further discussion. Draft language was sent out to the sports team charitable foundations of the NHL Seattle, Seattle Mariners, Seattle Sounders FC, and Seattle Seahawks, as well as electronic raffle manufacturers and distributors for review and feedback on August 11, 2021. Staff has put considerable time and resources into meeting with stakeholders and drafting rules that will both meet the needs of the petitioners and fit within the parameters of the Gambling Act. There are some concerns that staff

cannot address, as the Gambling Act does not allow for, such as the use of a cloud-based server and the transmission of gambling information over the internet. However, staff has made efforts to address other petitioner concerns:

- Allowing for remote access of the electronic raffle system for repair, trouble shooting, and technical support,
- Allowing for refunds,
- Allowing for ticket sales in areas where a ticket to the sporting event is required for entry,
- Allowing the affiliated nonprofit organizations to deduct expenses up to a maximum amount before calculating prizes, and
- Working with licensees to develop internal controls.

Staff recommends final action be taken on the language before you today, which includes non-substantive changes to the following rules in order to provide clarity to licensees:

- WAC 230-03-138 Defining “qualified sports team.” Language was added to this rule to clarify that a qualified sports team does not include lower-level teams, such as minor farm or development leagues.
- WAC 230-03-153, Applying to operate electronic raffles. Language was added to this rule to clarify that charitable or nonprofit organizations must be established by, or directly affiliated with a qualified sports team to apply for an electronic raffle license.
- WAC 230-06-050, Review of electronic or mechanical gambling equipment. Reference to WAC 230-16-005, was removed as this rule has been repealed and the correct WAC, WAC 230-06-116 was cited. The language was also clarified by citing WAC 230-11-305, subsection (3).
- WAC 230-11-305, Electronic raffle system standards. Language in subsections (1) and (2) were revised to clarify the application process.

By taking final action today, these rules would become effective on or after November 18th, 2021.

Public Comment

David Trout, on behalf of BUMP addressed the commission. He said that *“there’s regulations, the rules have already been proposed to be adopted, requiring GLI-31. And GLI-31 addresses cloud-based computing and non-manual drawings. And so, we think that GLI-31, the gold standard in monitoring, which this committee is already looking at, if that’s part of the rules for the protections that the commission would need to move forward”*.

Amber Carter, on behalf of the Seattle Mariners spoke to the commission. She said *“We spoke to you back in August about our support for these proposed rules. We just want to extend that support again today. Our nonprofit has a long history of giving back through our foundations to advance youth physical activity prevents homelessness and promote community leadership. This is a tool that will be used to modernize 50/50 raffles to help streamline the management while continuing to protect its integrity. And while we recognize that the rules did not go as far as our request initially sought; we do believe that these represent a substantial step forward on streamlining other provisions in the rules. An example of that is allowing a modest raffle at each of our home games to support these nonprofit activities, and to have a deduction for overhead expenses, through the charitable work of our foundations. Again, we appreciate the step forward. We look forward to future discussions in future modernization efforts, but at the time, we support these rules as presented. Thank you.”*

RC Laydon, read public comment into the record from **Ken Cook of Ascend Fundraising Solutions**, which is a manufacturer, and it says, *“We have discussed this internally and we have*

decided to provide services in the state of Washington providing enough interest. While we agree with the position that BUMP has identified, it would be in everyone's interest if RNG and AWS were allowed in the state."

"In our opinion, the only way this initiative will get off the ground on the proposed timeline is to follow the existing rules set forth by the working committee and the commission initially. We are currently offering services in a state with similar limitations. We are confident that we can meet the state regulations provided. Although not ideal, it is certainly achievable."

"We hope that by identifying the caveats around operating with localized servers, WSGC in the future will offer the opportunity to pilot and demonstrate the efficiency, safety and compliance that conducting a raffle using AWS and RNG presents to the charitable foundations would be acceptable to the commission. Best regards, Ken Cook."

Commissioner Patterson moved to approve rule language for final action as presented by staff.

Commissioner Reeves seconded the motion.

The motion passed 3-0

Commissioner Levy was absent.

Tab 8

Repeal of rule requiring identification at the door.

Ashlie Laydon, Rules Coordinator presented the materials for this tab. RC Laydon said that Molly Riley, of Chehalis, Washington, is proposing to repeal the rule that requires "casinos" to verify the identification of each patron entering their facility. The petitioner feels this change is needed because it conflicts with other federal, state, or local laws and/or rules. The petitioner also feels that this change would be a kind consideration to patrons because casinos use methods to document patron identification therefore, they should know their customers. While the Gambling Act, specifically RCW 9.46.228, requires that you must be eighteen to play card games, nothing in the Gambling Act, or the gambling rules (Title 230 WAC) requires card rooms to card every patron that enters their facility. Card rooms may have their own internal procedures for verifying the age of patrons and therefore this may be done by verifying identification upon entry. Staff recommends denial of this petition as no rule exists to repeal. Staff recommended the petitioner follow up with card room and/or casino directly to seek clarification and/or resolution in this matter.

Commissioner Reeves moved to deny the petition in writing for all the reasons presented by staff.

Commissioner Patterson seconded the motion.

The motion was denied 3-0

Commissioner Levy was absent.

Tab 9

Agency Director Hiring Discussion

Lisa Benavidez, Human Resources Director presented the materials for this tab. Chair Sizemore handed the gavel to Vice Chair Patterson to oversee this agenda item. HRD Benavidez gave a short update on the director hiring process. She announced that the hiring committee met, and it was determined that they will need an additional meeting. After that meeting the committee will take action at a public meeting to determine which if any candidates will move forward for further consideration.

Commissioner Reeves thanked the HR staff on their fine work.
Vice Chair Patterson handed the gavel back to Chair Sizemore.

Public Comment

There was no public comment.

Chair Sizemore gave a short update on the G2E global gaming expo that he attended virtually.

The next meeting of the Washington State Gambling Commission will be held virtually and is scheduled for November 16th.

There were 72 people that joined the meeting.



STATE OF WASHINGTON
GAMBLING COMMISSION

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

October Special Gambling Commission Meeting Minutes
Virtual Meeting
*October 27, 2021

Commissioners Present:

Julia Patterson (Via Teams)

Alicia Levy (Via Teams)

Kristine Reeves (Via Teams)

Staff Present – Virtually:

Lisa Benavidez, HR Director; Julie Anderson, Executive Assistant

Vice Chair Patterson called the virtual meeting to order at 8:00AM. After ensuring a quorum, Commissioners Reeves, Levy and Vice Chair Patterson immediately convened into Executive Session to discuss the qualifications of the candidates for the director position.

There was no action taken at this meeting. The Commissioners will meet again, however that date has not been identified.

The meeting adjourned at 10:17AM.

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



COMMISSION APPROVAL LIST
(New Licenses & Class III Gaming Employees)
November 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 27.



HOUSE-BANKED PUBLIC CARD ROOM REPORT

Licensed and Operating		41			
	City	Commission Approval Date	License Expiration Date	Org #	License #
ALL STAR CASINO	SILVERDALE	Jan 14, 1999	Jun 30, 2022	00-18357	67-00058
BLACK PEARL RESTAURANT & CARD ROOM	SPOKANE VALLEY	Jan 10, 2013	Sep 30, 2022	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, 2022	00-24515	67-00343
CASINO CARIBBEAN	KIRKLAND	Nov 14, 2019	Sep 30, 2022	00-24512	67-00341
CASINO CARIBBEAN	YAKIMA	Nov 14, 2019	Sep 30, 2022	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, 2022	00-21848	67-00282
CRAZY MOOSE CASINO II/MOUNTLAKE TERRACE	MOUNTLAKE TERRACE	Jul 10, 2009	Mar 31, 2022	00-21849	67-00283
CRAZY MOOSE CASINO/PASCO	PASCO	Jul 10, 2009	Mar 31, 2022	00-21847	67-00281
FORTUNE CASINO - RENTON	RENTON	Jan 8, 2015	Sep 30, 2022	00-23339	67-00327
FORTUNE CASINO - TUKWILA	TUKWILA	Oct 8, 2015	Jun 30, 2022	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, 2022	00-19258	67-00184
GREAT AMERICAN CASINO/TUKWILA	TUKWILA	Jan 15, 1998	Sep 30, 2022	00-12554	67-00012
HAWKS PRAIRIE CASINO	LACEY	Jul 12, 2001	Jun 30, 2022	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
LANCER LANES/REST AND CASINO	CLARKSTON	Nov 13, 2008	Sep 30, 2022	00-21681	67-00276
LAST FRONTIER	LA CENTER	Feb 11, 1999	Sep 30, 2022	00-11339	67-00055

Licensed and Operating					41
	City	Commission Approval Date	License Expiration Date	Org #	License #
LILAC LANES & CASINO	SPOKANE	Jul 12, 2007	Jun 30, 2022	00-21305	67-00267
MACAU CASINO	TUKWILA	Nov 14, 2019	Sep 30, 2022	00-24514	67-00344
MACAU CASINO	LAKEWOOD	Nov 14, 2019	Sep 30, 2022	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, 2022	00-02788	67-00004
RC'S AT VALLEY LANES	SUNNYSIDE	Nov 16, 2017	Mar 31, 2022	00-16220	67-00336
RIVERSIDE CASINO	TUKWILA	Aug 14, 2003	Jun 30, 2022	00-19369	67-00187
ROMAN CASINO	SEATTLE	Feb 10, 2000	Mar 31, 2022	00-17613	67-00057
ROXY'S BAR & GRILL	SEATTLE	Nov 18, 2004	Jun 30, 2022	00-20113	67-00231
ROYAL CASINO	EVERETT	Sep 9, 2010	Jun 30, 2022	00-22130	67-00301
SILVER DOLLAR CASINO/MILL CREEK	BOTHELL	Sep 9, 2010	Jun 30, 2022	00-22131	67-00302
SILVER DOLLAR CASINO/RENTON	RENTON	Sep 9, 2010	Jun 30, 2022	00-22134	67-00305
SILVER DOLLAR CASINO/SEATAC	SEATAC	Sep 9, 2010	Jun 30, 2022	00-22128	67-00299
SLO PITCH PUB & EATERY	BELLINGHAM	Aug 12, 1999	Jun 30, 2022	00-16759	67-00038
THE PALACE	LA CENTER	Apr 9, 1998	Jun 30, 2022	00-16903	67-00010
WILD GOOSE CASINO	ELLENSBURG	Apr 8, 2004	Dec 31, 2021	00-20009	67-00212
WIZARDS CASINO	BURIEN	Feb 11, 2010	Dec 31, 2021	00-21998	67-00287
ZEPPOZ	PULLMAN	Nov 13, 2008	Mar 31, 2022	00-18777	67-00209

Licensed but Not Currently Operating					2
	City	Commission Approval Date	License Expiration Date	Org #	License #
CLUB HOLLYWOOD CASINO	SHORELINE	Sep 9, 2010	Jun 30, 2022	00-22132	67-00303
EMERALD DOWNS	AUBURN	May 11, 2017	Mar 31, 2022	00-23814	67-00335

Applications Pending**1**

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

ORGANIZATION NAME

LICENSE NUMBER

PREMISES LOCATION

NEW APPLICATIONS**BINGO**

STILLY VALLEY CENTER
00-00546 01-00456

18308 SMOKEY PT BLVD
ARLINGTON WA 98223

RAFFLE

BACK COUNTRY HORSEMEN OF WASHINGTON
00-24591 02-21099

4111 SCHNEBLY RD
ELLENSBURG WA 98926

BRYANT ELEMENTARY PTSA
00-20019 02-08525

3311 NE 60TH ST
SEATTLE WA 98115-7318

CHILD'S PLAY
00-24828 02-21214

9660 153RD AVE NE
REDMOND WA 98052

COMBAT VET RIDERS
00-23039 02-21209

2405 N DICK RD
SPOKANE VALLEY WA 99205-2203

COYOTE CENTRAL
00-23799 02-20672

2300 E CHERRY ST
SEATTLE WA 98122

DOMESTIC VIOLENCE SERVICES OF SNOHOMISH COUNTY
00-24831 02-21216

2000 HEWITT AVENUE
EVERETT WA 98201

FBI NATIONAL ACADEMY ASSOC/WA CHAPTER
00-18009 02-08117

505 GRAND AVE
BELLINGHAM WA 98335

GLACIER PEAK YOUTH FOOTBALL ASSOCIATION
00-23530 02-09601

7008 153RD PL SE
SNOHOMISH WA 98296

ISSAQUAH SUNSET ELEMENTARY PTA 2.6.30
00-20380 02-08601

4229 W LK SAMMAMISH PKWY SE
BELLEVUE WA 98008

MONROE MONTESSORI BOOSTER CLUB
00-24829 02-21215

733 VILLAGE WAY
MONROE WA 98272

OUR LADY OF LOURDES
00-10381 02-09250

4701 NW FRANKLIN ST
VANCOUVER WA 98663

PROSSER BOOSTER CLUB
00-20908 02-08735

1203 PROSSER AVE
PROSSER WA 99350

SNO-KING AMATEUR HOCKEY ASSN
00-00132 02-01460

14326 124 AVE NE
KIRKLAND WA 98034

ST JOSEPH CATHOLIC PARISH-COLBERT
00-15535 02-02613

3720 E COLBERT RD
COLBERT WA 99005

ORGANIZATION NAME

LICENSE NUMBER

PREMISES LOCATION

NEW APPLICATIONS**RAFFLE**

STILLY VALLEY CENTER
00-00546 02-00487

18308 SMOKEY PT BLVD
ARLINGTON WA 98223

THE FALLEN OUTDOORS
00-24678 02-21136

144 WANDERING LN
WINLOCK WA 98596

THE MID-COLUMBIA READING FOUNDATION
00-24807 02-21197

894 TULIP LN, RICHLAND, WA 99352
KENNEWICK WA 99352

THE NRA FOUNDATION INC
00-24825 02-21213

11250 WAPLES MILL RD
FAIRFAX VA 22030

UNITED SERVICE ORGANIZATIONS
00-22111 02-09022

17801 INTERNATIONAL BLVD
SEATTLE WA 98158

WASHINGTON STATE QUILTERS/SPOKANE CHAPTER
00-15867 02-02660

PO BOX 7117
SPOKANE WA 99207

WESTSIDE BABY
00-24356 02-21001

10002 14TH AVE SW
SEATTLE WA 98146

PUNCHBOARD/PULL-TAB NONPROFIT

STILLY VALLEY CENTER
00-00546 05-03083

18308 SMOKEY PT BLVD
ARLINGTON WA 98223

PUNCHBOARD/PULL-TAB COMMERCIAL STIMULANT

LEGACY BILLIARDS
00-24305 05-21582

5303 N MARKET ST
SPOKANE WA 99217

SOUNDVIEW TAVERN
00-24787 05-21722

1116 HEWITT AVE
EVERETT WA 98201

SOUTHERN DINER
00-24763 05-21717

15304 1ST AVE S
BURIEN WA 98148

MAJOR SPORTS WAGERING VENDOR

BETMGM, LLC
10-00011 81-00004

210 HUDSON STREET HARBORSIDE PLAZA
JERSEY CITY NJ 07311

ORGANIZATION NAME

LICENSE NUMBER

PREMISES LOCATION

NEW APPLICATIONS

MID-LEVEL SPORTS WAGERING VENDOR

BETMGM, LLC
10-00011 82-00011

210 HUDSON STREET HARBORSIDE PLAZA
JERSEY CITY NJ 07311

GEOCOMPLY SOLUTIONS INC.
10-00080 82-00009

1750-999 W HASTINGS STREET
VANCOUVER BC V6C2W2

ANCILLARY SPORTS WAGERING VENDOR

DOG LLC
10-00174 83-00007

6280 S VALLEY VIEW BLVD
LAS VEGAS NV 89118

PERSON'S NAME
LICENSE NUMBER

EMPLOYER'S NAME
PREMISES LOCATION

NEW APPLICATIONS

MANUFACTURER REPRESENTATIVE

ANDERSON, ELVIN L JR
23-03284

ARISTOCRAT TECHNOLOGIES INC
LAS VEGAS NV 89135

HUDSON, JASON R
23-01539

ECLIPSE GAMING SYSTEMS
DULUTH GA 30096

KILLAPANAGE, CHAMIN L
23-02519

EVERI GAMES INC.
AUSTIN TX 78746

MACHOCK, CHRISTOPHER M
23-03252

ARIES TECHNOLOGY LLC
GROVE OK 74344-6251

MEHLING, MICHAEL J
23-03277

ARISTOCRAT TECHNOLOGIES INC
LAS VEGAS NV 89135

MORGAN, DAVID R
23-03280

ARISTOCRAT TECHNOLOGIES INC
LAS VEGAS NV 89135

NELSON, THOMAS E
23-03281

ARISTOCRAT TECHNOLOGIES INC
LAS VEGAS NV 89135

OVERHULSER, RALPH E
23-03285

ASAI
GLENDALE CA 91203

SANCHEZ, MARK A
23-03282

ARISTOCRAT TECHNOLOGIES INC
LAS VEGAS NV 89135

SANGALANG, OLIVER R
23-03278

ARISTOCRAT TECHNOLOGIES INC
LAS VEGAS NV 89135

VUE, HOUA W
23-03283

ARISTOCRAT TECHNOLOGIES INC
LAS VEGAS NV 89135

ZIGROSSER, MELISSA D
23-03279

ARISTOCRAT TECHNOLOGIES INC
LAS VEGAS NV 89135

MAJOR SPORTS WAGERING REPRESENTATIVE

ALLAN, KEVIN A
33-00063

BETMGM, LLC
JERSEY CITY NJ 07311

ARCEO, JASON M
33-00078

IGT
LAS VEGAS NV 89113

BENCOMO, ALEXIS
33-00072

BETMGM, LLC
JERSEY CITY NJ 07311

PERSON'S NAME
 LICENSE NUMBER

EMPLOYER'S NAME
 PREMISES LOCATION

NEW APPLICATIONS

MAJOR SPORTS WAGERING REPRESENTATIVE

BORKOWSKI, KIRK A
 33-00096

IGT
 LAS VEGAS NV 89113

BREZOVAC, LUKA
 33-00073

IGT
 LAS VEGAS NV 89113

CORRELL, NICHOLAS J
 33-00070

BETMGM, LLC
 JERSEY CITY NJ 07311

DASWATTA, THILINA
 33-00079

IGT
 LAS VEGAS NV 89113

DIGGLE, ROBERT
 33-00066

BETMGM, LLC
 JERSEY CITY NJ 07311

DJURIC, NEMANJA
 33-00074

IGT
 LAS VEGAS NV 89113

GILES, MARCUS C
 33-00098

IGT
 LAS VEGAS NV 89113

GRIGG, CHRISTOPHER J
 33-00080

IGT
 LAS VEGAS NV 89113

HOLLANDER, DAVID R
 33-00099

IGT
 LAS VEGAS NV 89113

KNEER, JOSEPH E
 33-00062

BETMGM, LLC
 JERSEY CITY NJ 07311

LAZIC, MARTA
 33-00084

IGT
 LAS VEGAS NV 89113

LEKOVIĆ, VUK
 33-00075

IGT
 LAS VEGAS NV 89113

LEON, BISMARCK
 33-00071

BETMGM, LLC
 JERSEY CITY NJ 07311

MAIN, DAVID F
 33-00064

BETMGM, LLC
 JERSEY CITY NJ 07311

MARINKOVIC, GORAN
 33-00076

IGT
 LAS VEGAS NV 89113

MARINKOVIC, SLOBODAN
 33-00083

IGT
 LAS VEGAS NV 89113

PERSON'S NAME
 LICENSE NUMBER

EMPLOYER'S NAME
 PREMISES LOCATION

NEW APPLICATIONS

MAJOR SPORTS WAGERING REPRESENTATIVE

MCPHEETERS, TONY R
 33-00065

BETMGM, LLC
 JERSEY CITY NJ 07311

MELTON, BRADLEY A
 33-00081

IGT
 LAS VEGAS NV 89113

NIKSIC, BRANKO
 33-00085

IGT
 LAS VEGAS NV 89113

NIKSIC, RADOVAN
 33-00086

IGT
 LAS VEGAS NV 89113

PLATANIOTIS, JAMES
 33-00082

IGT
 LAS VEGAS NV 89113

PRICKER, DAVID
 33-00087

IGT
 LAS VEGAS NV 89113

RADULOVIC, STEFAN
 33-00077

IGT
 LAS VEGAS NV 89113

RAJIC, DRAGISA
 33-00088

IGT
 LAS VEGAS NV 89113

RUBAS, ROMAN W
 33-00068

BETMGM, LLC
 JERSEY CITY NJ 07311

SALERA, DAVID
 33-00095

IGT
 LAS VEGAS NV 89113

SCHRACK, KAMERON D
 33-00067

BETMGM, LLC
 JERSEY CITY NJ 07311

SHAFFER, JESSICA C
 33-00097

IGT
 LAS VEGAS NV 89113

STEFANOVIC, MILOS
 33-00089

IGT
 LAS VEGAS NV 89113

STOJILKOVIC, MILOS
 33-00090

IGT
 LAS VEGAS NV 89113

TADIC, RADMILA
 33-00091

IGT
 LAS VEGAS NV 89113

WILLIAMS, TRISTAN P
 33-00092

IGT
 LAS VEGAS NV 89113

PERSON'S NAME
LICENSE NUMBER

EMPLOYER'S NAME
PREMISES LOCATION

NEW APPLICATIONS

MAJOR SPORTS WAGERING REPRESENTATIVE

YOUNG, BRIAN H
33-00069

BETMGM, LLC
JERSEY CITY NJ 07311

MID-LEVEL SPORTS WAGERING REPRESENTATIVE

COMPITELLO, GEORGE A
34-00003

GEOCOMPLY SOLUTIONS INC.
VANCOUVER BC V6C2W2

NON-PROFIT GAMBLING MANAGER

CANTRELL, SANDRA L
61-04764

FOE 00362
KENT WA 98032

DELAY, CAROL J
61-04474

BPOE 01868
WHITE SALMON WA 98672

ENOKIZONO, ELIZABETH H
61-04762

AMERICAN LEGION 00028
EPHRATA WA 98823

MASELLAS, JENNIFER L
61-04761

FOE 02338
PORT ORCHARD WA 98366

MCKINNON, LOUISE M
61-04763

FOE 02577
GRAND COULEE WA 99133-0079

SERVICE SUPPLIER REPRESENTATIVE

ANDERSON, HARPER M
63-01003

MAVERICK WASHINGTON
KIRKLAND WA 98034

ASSALONE, DONALD A
63-00996

SALISHAN-MOHEGAN LLC
VANCOUVER WA 98660

DIRK, BRIAN C
63-01000

DRUVSTAR
LAS VEGAS NV 89119

GOE, BENJAMIN R
63-01001

DRUVSTAR
LAS VEGAS NV 89119

LANGENFELD, JOSEPH R
63-00995

SALISHAN-MOHEGAN LLC
VANCOUVER WA 98660

PERSON'S NAME
LICENSE NUMBER

EMPLOYER'S NAME
PREMISES LOCATION

NEW APPLICATIONS

SERVICE SUPPLIER REPRESENTATIVE

LYNCH, ALLAN T
63-00999

DRUVSTAR
LAS VEGAS NV 89119

MONFORTON, RENA M
63-00998

SALISHAN-MOHEGAN LLC
VANCOUVER WA 98660

TROXEL, WILLIAM M
63-00997

SALISHAN-MOHEGAN LLC
VANCOUVER WA 98660

WHITE, LEVONTE' M
63-01002

DRUVSTAR
LAS VEGAS NV 89119

CARD ROOM EMPLOYEE

ACEVEDO RODRIGUEZ, JOSE D
68-36378

B

SILVER DOLLAR CASINO/RENTON
RENTON WA 98057

AGUINIGA, STEPHANIE K
68-36430

B

CRAZY MOOSE CASINO/PASCO
PASCO WA 99301

AHMAD, SAIMA
68-36406

B

CARIBBEAN CARDROOM
KIRKLAND WA 98034

BLOOMFIELD, DEANDRE Y
68-36426

B

SILVER DOLLAR CASINO/RENTON
RENTON WA 98057

BOLM, HEATHER M
68-36436

B

ALL STAR CASINO
SILVERDALE WA 98383

BONER, RODNEY W
68-11003

B

LILAC LANES & CASINO
SPOKANE WA 99208-7393

BONNEY, LESHEA A
68-36417

B

BLACK PEARL RESTAURANT & CARD ROOM
SPOKANE VALLEY WA 99206

BURLEW, ALAN T
68-36400

B

ALL STAR CASINO
SILVERDALE WA 98383

CANARY, MANUEL P
68-35979

B

GOLDIE'S SHORELINE CASINO
SHORELINE WA 98133

CAVITT, JOHN T II
68-36444

B

SLO PITCH PUB & EATERY
BELLINGHAM WA 98225

CHACO, TERESA L
68-22716

B

ALL STAR CASINO
SILVERDALE WA 98383

PERSON'S NAME
LICENSE NUMBER

EMPLOYER'S NAME
PREMISES LOCATION

NEW APPLICATIONS

CARD ROOM EMPLOYEE

CHASE, ERIC R II 68-36377	B	GREAT AMERICAN CASINO/LAKEWOOD LAKEWOOD WA 98499
CHRISTENSON, NICHOLAS W 68-36433	B	CARIBBEAN CARDROOM KIRKLAND WA 98034
CUNNINGHAM, ALEXANDER L 68-36460	B	ALL STAR CASINO SILVERDALE WA 98383
CURTIS-GRUNHURD, JAMIE T 68-36418	B	GREAT AMERICAN CASINO/TUKWILA TUKWILA WA 98168
DAHL, NICOLAS E 68-36413	B	FORTUNE POKER RENTON WA 98057
DO, TUYEN M 68-33147	B	THE PALACE LA CENTER WA 98629
FINSLAND, TATIANNA N 68-36434	B	NOB HILL CASINO YAKIMA WA 98902
GENSAW, KATHLEEN R 68-10785	B	SLO PITCH PUB & EATERY BELLINGHAM WA 98225
GRAND, JACOB P 68-36441	B	LAST FRONTIER LA CENTER WA 98629
GRUBE, JACOB A 68-36410	B	CARIBBEAN CARDROOM KIRKLAND WA 98034
HAN, JING 68-34510	B	MACAU CASINO LAKEWOOD WA 98499-4457
HANG, CHOR 68-14445	B	FORTUNE POKER RENTON WA 98057
HENDERSON, ANNALISA A 68-36450	B	PALACE CASINO LAKEWOOD LAKEWOOD WA 98499-8434
HESS, THOMAS J 68-36428	B	FORTUNE POKER RENTON WA 98057
HUYNH, THIEN T 68-36407	B	MACAU CASINO TUKWILA WA 98188
JACKSON, CHRISTOPHER D 68-13957	B	FORTUNE CASINO - TUKWILA TUKWILA WA 98168

PERSON'S NAME
 LICENSE NUMBER

EMPLOYER'S NAME
 PREMISES LOCATION

NEW APPLICATIONS

CARD ROOM EMPLOYEE

JENNINGS, ASHTON K 68-35844	B	COYOTE BOB'S CASINO KENNEWICK WA 99336
JERRY, RONALD M JR 68-09912	B	FORTUNE POKER RENTON WA 98057
KHE, CHREP 68-36449	B	PALACE CASINO LAKEWOOD LAKEWOOD WA 98499-8434
LANGWORTHY, KAM D 68-36458	B	LAST FRONTIER LA CENTER WA 98629
LAUDERDALE, WILLIAM J III 68-20519	B	CASINO CARIBBEAN YAKIMA WA 98901
LAVIOLA, JORDAN C 68-28941	B	CRAZY MOOSE CASINO II/MOUNTLAKE MOUNTLAKE TERRACE WA 98043-2463
LE, PHONG 68-36452	B	MACAU CASINO TUKWILA WA 98188
LIU, YONGYI 68-36446	B	WIZARDS CASINO BURIEN WA 98166-2524
LO, PAUL C 68-36429	B	GREAT AMERICAN CASINO/TUKWILA TUKWILA WA 98168
LOMBARDI, JUSTICE A 68-36423	B	IRON HORSE CASINO AUBURN WA 98002
LORZ, CAMERON H 68-36447	B	BUZZ INN STEAKHOUSE/EAST WENATCHEE EAST WENATCHEE WA 98802
LU, CHI K 68-35209	B	CRAZY MOOSE CASINO/PASCO PASCO WA 99301
MAHONEY, JERROD J 68-36457	B	WILD GOOSE CASINO ELLENSBURG WA 98926
MANCINI, HANNAH R 68-36379	B	WIZARDS CASINO BURIEN WA 98166-2524
MARTINEZ-BENSON, BIBIANNA M 68-36424	B	CRAZY MOOSE CASINO II/MOUNTLAKE MOUNTLAKE TERRACE WA 98043-2463
MCLERRAN, KATHLEEN M 68-36422	B	JOKER'S CASINO SPORTS BAR & FIESTA RICHLAND WA 99352-4122

PERSON'S NAME
LICENSE NUMBER

EMPLOYER'S NAME
PREMISES LOCATION

NEW APPLICATIONS

CARD ROOM EMPLOYEE

MEDINA, PATRICIA K 68-18707	B	ALL STAR CASINO SILVERDALE WA 98383
MENDIOLA, TRACY L 68-06676	B	CARIBBEAN CARDROOM KIRKLAND WA 98034
METCALF, WILLIAM K 68-30499	B	CARIBBEAN CARDROOM KIRKLAND WA 98034
MOUNG, SOKHEAN 68-23734	B	CHIPS CASINO/LAKEWOOD LAKEWOOD WA 98499
MUNGUIA, MARIA A 68-07741	B	GREAT AMERICAN CASINO/LAKEWOOD LAKEWOOD WA 98499
MUNSON, NANCY J 68-36453	B	CASINO CARIBBEAN YAKIMA WA 98901
MURPHY, KAREN L 68-36421	B	CRAZY MOOSE CASINO II/MOUNTLAKE MOUNTLAKE TERRACE WA 98043-2463
MY, MONIQUE M 68-32066	B	MACAU CASINO LAKEWOOD WA 98499-4457
NGUYEN, NOAH O 68-30805	B	GREAT AMERICAN CASINO/EVERETT EVERETT WA 98204
OUNG, CHHENG K 68-17409	B	ROXY'S BAR & GRILL SEATTLE WA 98126
PATTISON, FREDERICK J 68-36416	B	GREAT AMERICAN CASINO/LAKEWOOD LAKEWOOD WA 98499
PATTON-JACKSON, RAYMOND E 68-36468	B	BLACK PEARL RESTAURANT & CARD ROOM SPOKANE VALLEY WA 99206
PETERS, DARRELL L 68-36437	B	CLEARWATER SALOON & CASINO EAST WENATCHEE WA 98802
PETERSEN, DAVID A 68-08115	B	FORTUNE CASINO - RENTON RENTON WA 98055
PHAN, PHAT 68-19660	B	GREAT AMERICAN CASINO/TUKWILA TUKWILA WA 98168
PHANIVONG, KATE 68-07129	B	ROMAN CASINO SEATTLE WA 98178

PERSON'S NAME
LICENSE NUMBER

EMPLOYER'S NAME
PREMISES LOCATION

NEW APPLICATIONS

CARD ROOM EMPLOYEE

PHILLIPS, DONALD W 68-36461	B	CLEARWATER SALOON & CASINO EAST WENATCHEE WA 98802
PICKETT, TRAVIS L 68-33370	B	ROXY'S BAR & GRILL SEATTLE WA 98126
PIPER, PAUL L 68-36465	B	BLACK PEARL RESTAURANT & CARD ROOM SPOKANE VALLEY WA 99206
POTTORFF, MICHAEL L 68-16224	B	CLEARWATER SALOON & CASINO EAST WENATCHEE WA 98802
PUGH, DANTE L 68-36439	B	GREAT AMERICAN CASINO/LAKEWOOD LAKEWOOD WA 98499
REIDER, CHRISTOPHER W 68-25061	B	CASINO CARIBBEAN YAKIMA WA 98901
RICHARDS, DALTON J 68-36409	B	CARIBBEAN CARDROOM KIRKLAND WA 98034
ROBINSON, JESSICA L 68-36451	B	LAST FRONTIER LA CENTER WA 98629
SAOSEAN, NISA 68-36476	B	RIVERSIDE CASINO TUKWILA WA 98168
SATH, CHANTHAN 68-08332	B	GREAT AMERICAN CASINO/LAKEWOOD LAKEWOOD WA 98499
SENG, THEARITH 68-36384	B	WIZARDS CASINO BURIEN WA 98166-2524
SHIKH, PRATAPSIN S 68-36419	B	GREAT AMERICAN CASINO/TUKWILA TUKWILA WA 98168
SMOOT, BOBBIE L 68-36431	B	CASINO CARIBBEAN YAKIMA WA 98901
SOK, PETTER 68-34475	B	PALACE CASINO LAKEWOOD LAKEWOOD WA 98499-8434
SOKOLOWSKI, JULIE L 68-36404	B	LAST FRONTIER LA CENTER WA 98629
SREY, SAVIN 68-17351	B	GREAT AMERICAN CASINO/TUKWILA TUKWILA WA 98168

PERSON'S NAME
LICENSE NUMBER

EMPLOYER'S NAME
PREMISES LOCATION

NEW APPLICATIONS

CARD ROOM EMPLOYEE

STAHL, DOUGLAS S 68-34832	B	CLUB 48 YAKIMA WA 98908
TABAYOYON, TRISTAN P 68-15966	B	CASINO CARIBBEAN YAKIMA WA 98901
TAYLOR, TROY M 68-36432	B	FORTUNE POKER RENTON WA 98057
TERAO, BRYCE C 68-32600	B	CRAZY MOOSE CASINO II/MOUNTLAKE MOUNTLAKE TERRACE WA 98043-2463
THOMAS, ALENA J 68-36414	B	FORTUNE CASINO - RENTON RENTON WA 98055
TUCKER, ALEXANDRA E 68-36420	B	ROYAL CASINO EVERETT WA 98204
VINCENT, JOCCELYNE T 68-36443	B	NOB HILL CASINO YAKIMA WA 98902
WALTERS, SHAMROY K 68-36462	B	CLEARWATER SALOON & CASINO EAST WENATCHEE WA 98802
WILLIAMS-HARRIS, EBONY M 68-36412	B	MACAU CASINO TUKWILA WA 98188
WILLIAMSON, MICHAEL L 68-21323	B	JAMESTOWN SALOON ARLINGTON WA 98223
WILSON, ETHAN D 68-36435	B	CASINO CARIBBEAN YAKIMA WA 98901
WINTERS, EMILY L 68-36442	B	GOLDIE'S SHORELINE CASINO SHORELINE WA 98133
WORTHINGTON, ROBERT L II 68-36427	B	CASINO CARIBBEAN YAKIMA WA 98901
WU, XINGYI 68-36448	B	RIVERSIDE CASINO TUKWILA WA 98168

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

CHEHALIS CONFEDERATED TRIBES

ALAWINE, DONALD J
69-34434

ANDERSON, BROOK E
69-51057

CRUZ, RAYMOND H
69-51096

DELK, DAVID J
69-51220

JOURNIGAN, CECIL C JR
69-40043

MARIANO, ALEXANDER A JR
69-51099

MOSSOW, STEPHANIE L
69-51326

RASMUSSEN, DOUGLAS S
69-51098

VIGGERS, RILEE J
69-51327

COLVILLE CONFEDERATED TRIBES

MCCLAIN, RICHARD J
69-51241

REIMERS, KIANA
69-51095

SMITH, JASON R
69-51242

VAUGHAN, TERESA J
69-32635

COWLITZ INDIAN TRIBE

ARMSTRONG, KYLE T
69-51261

BAKER, JAMES M
69-51133

BELL, ROBERT W
69-51134

BELLAND, TERRY B
69-51250

CAVINTA, BONIFACIO E JR
69-47729

DIAZ, EMELY L
69-51136

DREITLEIN, KEVIN T
69-51256

GREEN, FELICIA N
69-51257

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

COWLITZ INDIAN TRIBE

GREEN, SHELBY L
69-51259

GREGG, SADIE L
69-51258

GUZMAN, JOLISSA G
69-51252

JOHN, ZACHARY J
69-51253

KIMBERLIN, LORI L
69-48540

KRAFT, MEGAN S
69-51263

MARCIL, GARRETT J
69-51260

MILLER, BYRON L
69-51254

MUNRO, KAREN L
69-51251

OLSON, NATHANIEL K
69-51037

PERRY, BRANDON D
69-51135

RENNER-SATUSHEK, SEAN L
69-51033

ROBERTSON, SHALISA A
69-51018

RUEDA-PEREZ, HEIDI M
69-51041

SALAZAR, HENRY G
69-51216

SCARDINO, FELIPE S
69-47405

SU, JIEDING
69-46230

TALBOT, KAYLA S
69-45864

TROXEL, KELSEY L
69-47410

VAN, ANDY T
69-51255

VEGA, JOHNNY C
69-51264

WHITE, CODY N
69-44236

WIGGINS, ANDREW J
69-51278

WISKI-SUTTON, RHYS A
69-51181

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

COWLITZ INDIAN TRIBE

YORK, AIMEE M
69-51262

KALISPEL TRIBE

ALLEN, JERRIE S
69-51158

AMES, ADAM F
69-51283

BAK, DENG R
69-51093

CHAMBERS, SARAH L
69-51127

CROSBY, BRET W
69-51270

FORTUNE, CHRISTIAN E
69-48614

GLADDEN, TYLER J
69-51225

GOODSON, CANDACE M
69-51224

HILTON, SHANE J
69-51067

JYDSTRUP, SARAH M
69-51157

KUHN, BRETT A
69-51160

LARGENT, RYAN A
69-51155

MARSHALL, JESSICA L
69-51185

MCGEE, NATASHA A
69-51268

MYHREN, MATTHEW S
69-51162

PATRICK, TRAVIS M
69-48632

PEONE, DEYLIN J
69-51159

PRUETT, JUSTIN D
69-51092

ROE, JEFFREY R
69-51267

SLAGLE, ANDREW A JR
69-34672

TATRO, SAMANTHA A
69-40477

THOMPSON, NASH L
69-51156

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

KALISPEL TRIBE

WILLIAMS, MISTY D
69-51168

LUMMI NATION

ABRAM, KENDALE J
69-51228

FIDLER, KEVIN H
69-51064

LAWRENCE, MARK S JR
69-51119

LEWIS, WESTON S
69-51229

MOHAN, SHAIRIN L
69-51132

SEELYE, SHEILA D
69-31786

MUCKLESHOOT INDIAN TRIBE

BOCOCK, JENNIFER E
69-51104

DAVIS, MARCUS R
69-51152

ELLINGSON, ANDREW J
69-51149

ESCHBACH, DOUGLAS K
69-51151

FRISCH, REBECCA
69-38032

JODOCK, MARCOS
69-51150

MAJORS HOWE, SIERRA S
69-51105

MIXAN, KEVIN J
69-44928

MOSES, CASSANDRA J
69-10993

ONE FEATHER, OLIVIA J
69-51146

PERRY, PASOUALE J
69-51147

ROVA, CRYSTAL A
69-51148

TEP, TERRY
69-24923

WILLIAMS, BETTINA J
69-05683

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

NISQUALLY INDIAN TRIBE

AFLLEJE, MIDORI M
69-51189

CARLISLE, GLENNA F
69-51275

CROSSON, STEVEN C
69-41085

ELZIG, JUSTIN M
69-51179

ESERA, GINGER D
69-44292

HENSON, PAIGE L
69-51100

HSIEH, AN C
69-51101

KHAMSOKSAVATH, BRENDA
69-31325

KING, PAITYN M
69-51273

MCINTOSH, RICHARD B
69-51178

MENO, NANCY J
69-20583

METCALF, GARY R
69-51102

MILLER, AARON T
69-51191

MITRE, JEREMY M
69-51190

STOCKTON, AMANDA S
69-51274

YAZZIE, JORDAN J
69-51103

NOOKSACK INDIAN TRIBE

GARCIA JR., JOSE L
69-51120

GIBBS, ANTHONY M
69-51121

HEERSINK, NADEJDA M
69-51213

PETRITZ, RICHARD C
69-51050

REAMS, KATEY M
69-51174

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

PORT GAMBLE S'KLALLAM TRIBE

BALLWEG, KAYLEE M
69-51087

BLANKENSHIP, JON A
69-44051

DERSHAM, JOSHUA D
69-51230

EBERHARDT, SHERI L
69-51231

ELLIOTT, CARRIE A
69-51235

HEIM, CODY P
69-51236

JACOBS, TATYANA E
69-51232

MARLIN, ZACHARIAH J
69-51088

MIGUEL, LAWRENCE L
69-51240

PRICHARD, JESSICA R
69-51089

PURSER, HILLARY R
69-51233

PUYALLUP TRIBE OF INDIANS

AL-JOULANI, IMAN I
69-51114

ANNIS, JOSEPH L JR
69-25280

BALLESTEROS, JOSE L III
69-51144

BOGGAN, TERRY L
69-51276

BRAWLEY, QUINCY D JR
69-51338

BRYAN, TARONNE D
69-51128

CLARK, ROBERT L JR
69-51200

COOPER, TIMOTHY
69-51141

COX, LYN A
69-51196

DAWKINS, MIARA M
69-51243

DOUGLAS, PAUL J
69-51199

DOUGLASS, KRISTEN M
69-51244

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

PUYALLUP TRIBE OF INDIANS

GARNER, SARAH E
69-51316

GOOMBI, SAMSON D
69-51336

GRIMSTEAD, ADAM J
69-51140

HALQUIST, BRIAN L
69-51245

HOFFMAN, RILEY T
69-51201

HUNT, CHARLES A
69-51166

HUNT, MALCOLM X
69-51172

HYNES, KAREN A
69-51195

IERU, KORETI
69-51198

JONES, LATECE M
69-21839

JORGENSEN, CHARLES A
69-51282

KHAMSOKSAVATH, BRENDA
69-31325

LAPOINTE, DELISA M
69-51116

LARSON, SHANNON C
69-51115

LEWIS, BLANCHARD
69-51287

LOPEZ, KATHRYN L
69-51145

MARKLEY, MATTHEW J
69-51142

MC INTYRE, WAYNE M
69-51171

MCKEOWN, KYLE F
69-51173

MONAHAN, LISA A
69-51118

MUGAMUGA, SELVIA M
69-51277

NOWACKI, THOMAS G
69-51194

PETERSON, SHANDELL F
69-27497

PRICE, COREY S
69-51309

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

PUYALLUP TRIBE OF INDIANS

RIDEOUT, TERRY T
69-43483

ROSS, DANIEL C
69-51246

SANCHEZ, KAMERON L
69-51247

SAUCIER, RITA D
69-13153

ST JOHN, NOAH C
69-51248

SULIMAN, ANNA M
69-25566

TAGALOA, ALOFAAGA S
69-51177

TENORIO, JUSTIN A
69-51249

VAIOLETI, FAAFETAI P
69-51197

VAKERICS, ZANE A
69-51165

WALKER, JASMINE P
69-51290

WARREN, DERRELL D
69-51117

WESTON, TYLER C
69-34152

WHITCHER, DAVID R
69-51170

WILSON, LINDA K
69-51143

WROLSON, DARLENE F
69-05873

YAMBEO, FLORANTE M
69-51289

YUNG, PETER W
69-44364

QUINULT NATION

BOATSMAN, TIMOTHY A
69-34958

CHICANO, ROBERT M
69-39586

CROW, SASHA M
69-41226

CUMMINGS, JEFFREY R
69-36692

FRANCIS, RACHEL M
69-51069

JENNINGS, CASSANDRA R
69-51032

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

QUINAULT NATION

PLANG, KORB
69-10966

ROSGEN, MICHAEL C
69-36221

RUS, TOMEEKA R
69-51286

SKOKOMISH TRIBE

CUPP, CODY M
69-51065

GRANT, RICHARD M
69-51066

ZOOK, PATRICK L
69-51214

SNOQUALMIE TRIBE

ALLDREDGE, DUSTIN
69-51205

DANGKHAMBOU, VANNALEE B
69-51210

EASTMAN, IVAN L
69-51269

EISTER, BRIAN W
69-44689

MIAW, RICKY
69-51209

PANCHOT, ALLISON J
69-51202

PHAM, MICHAEL D
69-51206

RAMOS-REYNOSO, ARMINDA
69-51154

SEDA, DAVID O
69-51203

SHAN, QIAN
69-51208

TOMLINSON, DOUGLAS H
69-51204

WANG, YUANHONG
69-51212

WHITE, PIERRE A
69-26935

XU, WEI
69-51211

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

SPOKANE TRIBE

AGUILAR, ERNESTO J
69-51020

BRYANT, MATHEW D
69-51218

COONEY, AILAINA M
69-51123

DAMIANI, STEVEN R
69-51080

DITTMAN, JACOB W
69-51126

FISK, ALYSSA L
69-51187

FRAYSER, MIRANDA R
69-51113

GINN, TAYLOR E
69-51125

GLOVER, CHAD E
69-51051

GUINDON, DESIRAE A
69-48781

HAINES, JASON E
69-51139

HARPER, ERICK A
69-51086

KELLY, SAMANTHA L
69-51238

KIM, KIRILL
69-51234

LEE, DEBORAH L
69-27929

LEYVA, RAYMOND L
69-51237

LORIMOR, SUNSHINE
69-43909

MARCELLAY, GABRIEL
69-51188

MORRIS, CAMERON R
69-42384

NGUYEN, DUNG T
69-51217

PAKOOTAS, ALEXANDER F
69-51280

QUALLS, KIMBERLY T
69-51124

RANSON, MOREY W
69-51138

REAGAN, ERNEST L
69-51052

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

SPOKANE TRIBE

REED, SCOTT D
69-51014

ROBERG, DANIEL R
69-51053

SCHWARK, BRANDILEE O
69-51081

SIX, ROBERT M
69-51082

SPROULE, JOSEPH A
69-51137

VANCAMP, THOMAS R
69-51084

WEBER, SCOTT F
69-51175

WILBOURN, CATHLEEN A
69-51186

SQUAXIN ISLAND TRIBE

CALLAHAN, MONIKA R
69-47448

COMBS, PAUL M
69-12228

CONLAN, MYAH J
69-51193

ELLARS, KELLY J
69-51078

GANNON, CHRISTINA M
69-46166

GRIFFITHS, STEVE J
69-00003

JONES, KATRINA M
69-51192

KEITH, SUNSOMAY
69-51227

KULCZYK, CHRISTOPHER D
69-51184

LAYTON, KERRI K
69-51215

MADISON, NEIL J
69-34600

MCNEASE, DANIELLE N
69-22000

NELSON, SEAN D
69-24178

PRANTE, SHEENA K
69-51131

RICHARDS, CINDY A
69-51164

SCOTT, JULAYA R
69-51161

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

SQUAXIN ISLAND TRIBE

SIMMONS, MERLIN R
69-51284

WALLS, ALYSSA M
69-51112

SUQUAMISH TRIBE

HATTRICK, CAMERON W
69-51323

JONES, CHELSEA A
69-33184

MAYBERG, CHARLES P
69-48273

RAVINE, STEVEN
69-51094

STOUDERMIRE, AVERY M
69-47856

TONKS, ALEXANDER
69-51129

WARREN, SONJA M
69-51285

SWINOMISH INDIAN TRIBAL COMMUNITY

ALLEN, BARBARA A
69-51167

THE TULALIP TRIBES

AGUSTIN, GHESSICA G
69-51072

ALFORD, KAMERON M
69-51226

BASCUE, JACKSON A
69-51223

BEGAY, MYRON A JR
69-31436

CHAMBERLIN, SHYANAH K
69-51071

CORTEZ MONTOYA, SASHA S
69-51111

CRISP, TANYA L
69-51075

DAWSON, LILLIAN L
69-51077

DOHERTY, VINCENT A
69-51222

FELIX, PATRICIA C
69-05405

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

THE TULALIP TRIBES

FRYBERG, DAVID C
69-00079

FRYBERG, SKYLOR A
69-51291

GAUL, ELECITA M
69-38611

GOBIN, SHALIYAH N
69-51109

GOMEZ NERI, JULIO C
69-48852

GROSSMAN, OING
69-25171

HOTTINGER, KELLY E
69-51076

JAMES, DARRELL L
69-51295

JOHNSON, SABATIEN D
69-51031

MANCINI, CLARISSA A
69-51110

MITCHELL, JAMES M
69-51296

MOSES, MARY J
69-51043

MURPHY, RAYMOND W III
69-33401

PEARCE, DAVID M
69-51047

PROM, RIKKI N
69-51044

REDDING, MICHAEL J
69-51221

REECE, CLAYTON A
69-51130

SHAW-KEETEN, XAVIER A
69-51299

SPENCER, KATIE V
69-27583

STOLCIS, LUCAS V
69-34375

TURNER, LOGAN R
69-51046

WHEATON, JESSICA K
69-33848

WHITNEY, KATRINA N
69-51108

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

UPPER SKAGIT INDIAN TRIBE

BAUDER, MICHAEL J
69-33092

SAULIS, TAMRA M
69-51068

VANDEWAY, JARED J
69-51169

YAKAMA NATION

COSTA, MARY E
69-51310

FELAN, JONATHAN M
69-51315

FLORES MARTINEZ, JEAN P
69-51314

GEORGE, ETHAN A
69-51313

JACK, DARIAN J
69-48044

JIM, JONAVAN D
69-34943

JOHNSON, VICTOR C
69-45422

NASH, TIFFANY J
69-37898

PRICE, GWENDOLYN L
69-51312

VERA-GUERRERO, JOSE
69-51311



**Washington State Gambling Commission
Pre-Licensing Report
Major Sports Wagering Vendor**

**Part I
Licensing/Organization Information**

Type of Approval Major Sports Wagering Vendor License Mid-Level Sports Wagering Vendor License	Premises/Trade Name/Address BetMGM, LLC 210 Hudson Street Harborside Plaza Suite 602 Jersey City, NJ 07311
Date of Application September 14, 2021	

APPLICANT INFORMATION

Name Bet MGM, LLC	License Application # 10-00011	Business Phone # (917) 470-1341
Address 210 Hudson Street Harborside Plaza Suite 602 Jersey City, NJ 07311		

ACTIVE LICENSES ISSUED BY GAMBLING COMMISSION

Description/Class	Exp. Date	License Number(s)
Major Sports Wagering Vendor License	09/30/2022	81-00004
Mid-Level Sports Wagering Vendor License	09/30/2022	82-00011

COMMISSION STAFF

Licensing Specialist Jeanette Warner	Special Agents Julie Sullivan Kevin Maxwell Lisa Sailsa
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BETMGM

Background/Structure

General Information:

BetMGM, LLC, is a joint venture between ultimate parents, MGM Resorts International, Inc. and Entain, plc.

They applied for a Major Sports Wagering Vendor license and a Mid-Level Sports Wagering Vendor license to provide the following services in Washington:

- 1) Being a Tribe's or Tribes' primary consultant who provides substantial sports wagering related services;
- 2) Platform for Sports Betting; and
- 3) Geolocation Services.

The sports wagering software, including geolocation services, is developed by Stadium Technology Group, LLC, a wholly owned subsidiary of Entain, plc.

Organizational/Ownership Structure:

BetMGM:

Title	Name	% Ownership
CEO	Adam Greenblatt	0
CFO	Gary Deutsch	0
Director (MGM Designee)	Tilak Mandadi	0
Director (MGM Designee)	Keith Meister	0
Director (MGM Designee)	Gary Fritz	0
Director (Entain Designee)	Rob Wood	0
Director (Entain Designee)	Robert Hoskin	0
Director (Entain Designee)	Jette Nygaard-Andersen	0
Shareholder	MGM Sports & Interactive Gaming, LLC	50%
Shareholder	GVC Holdings (USA), Inc.	50%
	Total	100%

MGM Sports & Interactive Gaming, LLC:

Title	Name	% Ownership
COO, Manager	Corey Sanders	0
President	William J. Hornbuckle,	0
CFO & Treasurer	Jonathan Halkyard	0
Secretary	John M. McManus	0
Shareholder	MGM Resorts International	100%
	Total	100%

MGM Resorts International (publicly traded):

Title	Name	% Ownership
CEO, President, Director	William J. Hornbuckle, IV	0
Executive VP, General Counsel & Secretary	John M. McManus	0
COO	Corey Sanders	0
CFO	Jonathan Halkyard	0
Director (IAC/InterActiveCorp Designee)	Barry Diller	0
Director (IAC/InterActiveCorp Designee)	Joseph Levin	0
Institutional Investor	BlackRock, Inc.	5.79%
Institutional Investor	The Vanguard Group	8.85%
Non-Exempt Institutional Investor	IAC/InterActiveCorp	11.93%
Various Stockholders	Owning <5% of total shares	73.58%
	Total	100%

GVC Holdings (USA) Inc.:

Title	Name	% Ownership
President, CEO, Secretary & Director	Robert Hoskin	0
Shareholder	Entain Holdings (UK) Limited	100%
	Total	100%

Entain Holdings (UK) Limited:

Title	Name	% Ownership
Director	Robert Wood	0
Director	Robert Hoskin	0
Shareholder	Entain, plc	100%
	Total	100%

Entain, plc (publicly traded):

Title	Name	% Ownership
CEO, Director	Jette Nygaard-Andersen	0
Deputy CEO, CFO & Director	Robert Wood	0
Director	Robert Hoskin	0
Institutional Investor	BlackRock	5.84%
Institutional Investor	Standard Life Investments Ltd	5.94%
Institutional Investor	Capital Group Companies, Inc.	5.08%
Institutional Investor	Sands Capital Management, LLC	5.13%
Various Stockholders	owning < 5% of total shares	75.04%
	Total	100%

Stadium Technology, LLC, a wholly owned subsidiary of Entain, plc, provides the sports wagering platform and geolocations services to our applicant that allows for sports wagering to be available in Washington State. WAC 230-03-234 does not require they have a separate license; however, their ownership structure and the qualifications of their substantial interest holders were reviewed during the investigation. Their ownership structure is:

Stadium Technology Group, LLC

Title	Name	% Ownership
CTO (officer in charge)	Sankara Narayanan	0
Director	Robert Hoskin	0
Ultimate Shareholder	Entain plc	100%
	Total	100

Other Jurisdictions Licensed:

BetMGM is currently licensed in several jurisdictions in the U.S. including, New Jersey, Colorado, Nevada, Mississippi, and Pennsylvania.

Part II
Licensing Investigations Summary

Special Agents from the Commission's Licensing Unit and Regulation Unit conducted a criminal history and financial investigation focusing on funding sources and beneficiaries for suitability in accordance with RCW 9.46 and WAC 230. The investigation included verifying the ownership structure, reviewing financial and business records, and conducting interviews. The investigation found:

- No unreported people or businesses involved (i.e., substantial interest holders).
- No undisclosed ownership or undisclosed involvement in other activities/businesses.
- No disqualifying administrative history.
- All funding sources were disclosed; and
- All substantial interest holders qualify to hold a license.

Source of Funds:

The company's source of funds for the pre-licensing process came from cash on hand.

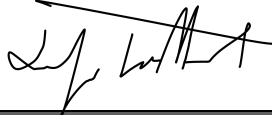
Part III
Staff Recommendations

Based upon the criminal history and financial background investigations, staff recommends licensing BetMGM with a Major Sports Wagering Vendor license and a Mid-Level Sports Wagering Vendor license.

Prepared By

Jennifer LaMont, Agent in Charge
Licensing Unit

Signature



Date

November 5, 2021



Washington State Gambling Commission
Pre-Licensing Report
Mid-Level Sports Wagering Vendor

Part I
Licensing/Organization Information

Type of Approval Mid-Level Sports Wagering Vendor License	Premises/Trade Name/Address GeoComply Solutions, Inc. 1750-999 West Hastings Street Vancouver, British Columbia V6C2W2 Canada
Date of Application September 1, 2021	

APPLICANT INFORMATION

Name GeoComply Solutions, Inc.	License Application # 10-00080	Business Phone # (604) 336-0877
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Address
1750-999 West Hastings Street
Vancouver, British Columbia V6C2W2
Canada

ACTIVE LICENSES ISSUED BY GAMBLING COMMISSION

Description/Class Mid-Level Sports Wagering Vendor License	Exp. Date 09/30/2022	License Number(s) 82-00009
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COMMISSION STAFF

Licensing Specialist Michelle Davis	Special Agents Julie Sullivan Lisa Saila
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Background/Structure

General Information:

GeoComply Solutions, Inc. (GeoComply) applied for a Mid-Level Sports Wagering Vendor license to provide geofence and geolocation compliance and monitoring. GeoComply offers compliance-grade geolocation solutions for the sports wagering industry. The services are used for on-premises mobile sports wagering. They are currently contracted with eight sports wagering vendor applicants and/or licensees.

Organizational/Ownership Structure:

GeoComply Solutions, Inc:

Title	Name	% Ownership
CEO/President/COB	Anna Sainsbury	47.04%
CEO	David Briggs	0%
CFO	Damien Forer	0%
Managing Director – Gaming	Lindsay Slader	0%
Director	Vishal Amin	0%
Director	Viral Patel	0%
Shareholder	Ernest W. Moody Revocable Trust	15.00%
Shareholder	BXG Gaia Purchasers, LLC (Blackstone)	21.63%
Shareholder	Various Non-substantial Interest holders (less than 10%)	16.33%
	Total	100%

Ernest W. Moody Revocable Trust:

Title	Name
Trustee	Ernest W. Moody

BXG Gaia Purchasers, LLC:

Title	Name	% Ownership
Managing Member	BXG Gaia Voteco, LLC	100%
Institutional Investor (Advisor)	Blackstone Growth Advisors, LLC	0%
	Total	100%

BXG Gaia Voteco, LLC:

Title	Name	% Ownership
Member	Viral Patel	51%
Member	Vishal Amin	49%
	Total	100%

Other Jurisdictions Licensed:

GeoComply Solutions, Inc. is currently licensed in several jurisdictions in the U.S. including, Colorado, Nevada, Indiana, and Pennsylvania.

Special Agents from the Commission's Licensing Unit and Regulation Unit conducted a criminal history and financial investigation focusing on funding sources and beneficiaries for suitability in accordance with RCW 9.46 and WAC 230. The investigation included verifying the ownership structure and reviewing financial and business records. The investigation found:

- No unreported people or businesses involved (i.e., substantial interest holders).
- No undisclosed ownership or undisclosed involvement in other activities/businesses.
- No disqualifying administrative history.
- All funding sources were disclosed; and
- All substantial interest holders qualify to hold a license.

Source of Funds:

The company's source of funds for the pre-licensing process came from cash on hand.

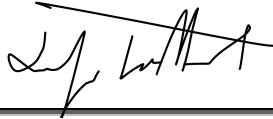
**Part III
Staff Recommendations**

Based upon the criminal history and financial background investigations, staff recommends licensing GeoComply Solutions, Inc. with a Mid-Level Sports Wagering Vendor license.

Prepared By

Jennifer LaMont, Agent in Charge
Licensing Unit

Signature



Date

November 3, 2021



**Washington State Gambling Commission
Pre-Licensing Report
Ancillary Sports Wagering Vendor**

**Part I
Licensing/Organization Information**

Type of Approval Ancillary Sports Wagering Vendor License	Premises/Trade Name/Address DOG LLC 1153 Notch Peak St., Suite 102 Las Vegas, NV 89135
Date of Application October 13, 2021	

APPLICANT INFORMATION

Name DOG LLC	License Application # 10-00174	Business Phone # (702) 686-6070
------------------------	--	---

Address
1153 Notch Peak St., Suite 102
Las Vegas, NV 89135

ACTIVE LICENSES ISSUED BY GAMBLING COMMISSION

Description/Class Ancillary Sports Wagering Vendor License	Exp. Date 09/30/2022	License Number 83-00007
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COMMISSION STAFF

Licensing Specialist Rose Guzman	Special Agent Lisa Salla
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Background/Structure

General Information:

Dog LLC applied for an Ancillary Sports Wagering Vendor license to distribute kiosks for the use in sports wagering operations. They are currently contracted with two sports wagering vendor applicants and/or licensees.

Organizational/Ownership Structure:

DOG LLC:

Title	Name	% Ownership
LLC Manager	Guy Ossello	100%
	Total	100%

Other Jurisdictions Licensed:

DOG LLC is not currently licensed in any other jurisdictions in the U.S.

**Part II
Licensing Investigations Summary**

A Special Agent from the Commission's Regulation Unit conducted a criminal history and financial investigation focusing on funding sources and beneficiaries for suitability in accordance with RCW 9.46 and WAC 230. The investigation included verifying the ownership structure and reviewing financial and business records. The investigation found:


- No unreported people or businesses involved (i.e., substantial interest holders).
- No undisclosed ownership or undisclosed involvement in other activities/businesses.
- No disqualifying administrative history.
- All funding sources were disclosed; and
- The sole substantial interest holder is qualified to hold a license.

Source of Funds:

The company's source of funds for the pre-licensing process came from cash on hand.

**Part III
Staff Recommendations**

Based upon the criminal history and financial background investigation, staff recommends licensing DOG LLC with an Ancillary Sports Wagering Vendor license.

Prepared By Jennifer LaMont, Agent in Charge Licensing Unit	Signature 	Date November 4, 2021
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STATE OF WASHINGTON
GAMBLING COMMISSION

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

November 9, 2021

TO: **COMMISSIONERS**
Bud Sizemore, Chair
Julia Patterson, Vice-Chair
Alicia Levy
Kristine Reeves
Sarah Lawson

EX OFFICIO MEMBERS
Senator Steve Conway
Senator Jeff Holy
Representative Shelley Kloba
Representative Brandon Vick

FROM: Tina Griffin, Interim Director

SUBJECT: Interim Directors Report

32nd Annual Centennial Accord Meeting

On October 27, 2021, the Squaxin Island Tribe hosted tribal leaders and panelists at the 32nd Annual Centennial Accord Meeting. All others attended virtually. Our report for the Centennial Accord is attached.

Sports Wagering Enforcement Update

On October 21, 2021, the Vancouver Police Department and Gambling Commission staff arrested an individual for:

- RCW 9.46.220 Professional Gambling in the First Degree
- RCW 9.46.240 Transmitting or Receiving Gambling Information
- RCW 9.46.217 Gambling Records
- RCW 9.68A.050 Dealing in Depictions of Minor Engaged in Sexually Explicit Conduct in the First Degree
- RCW 9.68A.070 Possession of Depictions of Minor Engaged in Sexually Explicit Conduct in the First Degree

During the investigation, staff, in an undercover capacity, placed several sports wagers with the suspect via a third-party website. Approximately 30 bettors placed their wagers over the internet using an account sign-on provided by the suspect. Funds were exchanged and wagers were settled through an app. The suspect took about \$5,000 a month in sports wagers.

We appreciated working with the Vancouver Police Department on this investigation.

Complaint for Declaratory and Injunctive Relief Filed Against the Commission

On October 28, 2021, the commission was served with a summons and complaint as a defendant in a lawsuit filed by Lottery Now, Inc. ("Lottery Now"). Lottery Now is seeking a Declaratory Judgement in Thurston County Superior Court to find that Lottery Now's website and/or app is



STATE OF WASHINGTON
GAMBLING COMMISSION

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

not in violation of Washington law, particularly RCW 9.46, and allow them to operate their website and/or app in Washington. Lottery Now is also seeking an injunction barring the Commission from taking enforcement action against it for the operation of its website or app.

This action relates to cease-and-desist letters the commission issued Lottery Now on May 3 and 13, 2021. All documents regarding the filing are attached.

Attachments:

Centennial Accord Agency Highlights

Summons and Complaint for Declaratory and Injunctive Relief

April 26, 2021 Cease and Desist Letter

May 7, 2021 letter from Lottery Now, Inc. to WSGC

May 13, 2021 Cease and Desist Letter

February 9, 2021 letter from Lottery Commission to Lottery Now, Inc.

Washington State Gambling Commission

Summary

Our mission is to protect the public by ensuring that gambling is legal and honest, and to foster full cooperation between tribes and the state, based upon equality and a shared concern for the welfare of all the citizens of the state and tribes.

Of the 29 federally recognized tribes in Washington, 29 have compacts for Class III gaming and 22 of the tribes operate 29 casinos.

Highlights

We mutually agreed to amendments to restate the Class III gaming compacts, including updates to regulatory and operational processes, of the Skokomish Indian Tribe and Stillaguamish Tribe of Indians.

We mutually agreed to amendments that will provide new gaming provisions for high limit rooms and pits and extension of credit; provide for continued cooperation to promote responsible gaming; and increase the Tribe's contributions to the community with the Cowlitz Indian Tribe, Snoqualmie Indian Tribe, Stillaguamish Tribe of Indians, and Suquamish Tribe.

As a result of HB 2638 which amended several laws and regulatory and licensing requirements and crimes in the Gambling Act and authorized sports wagering subject to the terms of tribal-state gaming compacts, we mutually agreed to amendments with sixteen Tribes for sports wagering: the Confederated Tribes of the Colville Reservation, Cowlitz Indian Tribe, Jamestown S'Klallam Tribe, Kalispel Tribe of Indians, Lummi Nation, Muckleshoot Indian Tribe, Puyallup Tribe, Shoalwater Bay Indian Tribe, Skokomish Indian Tribe, Snoqualmie Indian Tribe, Spokane Tribe of Indians, Squaxin Island Tribe, Stillaguamish Tribe of Indians, Suquamish Tribe, Swinomish Indian Tribal Community, and Tulalip Tribes.

Our negotiation team was expanded to include agency staff as subject matter experts when negotiating related provisions of these amendments. Staff created new forms, provided public information on our website, and updated internal processes for the new compact provisions. Staff then met with tribal representatives to discuss implementation and clarify the standards of the new compact provisions. Ongoing communication with Tribal Gaming Agencies to set policies and procedures and share new forms, regulatory checklists, guidelines, and programs continues to be an important part of working with our co-regulatory partners to monitor compact provisions.

In February 2021, we passed a rule that allowed sports wagering vendors to submit applications for a pre-licensing investigative process in anticipation of finalized sports wagering compact amendments. The investigative process can take an extensive amount of time, and this pre-licensing investigative process was created to spread the workload and improve investigative response time. Staff from across the agency were also reassigned to

assist licensing staff with the anticipated increased workload. We have developed rule language to allow licensure of vendors and their representatives to enter into contracts with tribes to provide sports wagering products and services.

The Tribal Gaming unit continued to work with the tribes to address safety concerns of patrons and staff due to COVID 19. The tribal casinos made several changes such as temperature checks, mask requirements, increased distance between machines, eliminated or decreased the number of tables and machines available, and made their facilities non-smoking. All meetings with tribal leaders and for negotiations changed to virtual meetings.

We will continue regular discussions and updates with tribal leaders on emerging topics such as sports wagering implementation, and rulemaking, and regulatory billing.

We provided updates and participated in, or organized, meetings and training virtually for: licensing staff, tribal gaming agency directors, gaming executives, equipment manufacturers, and independent testing laboratories.

New Agent Training was postponed in 2020 due to COVID 19, but we plan to conduct the training again in 2022. Topics to be included history, licensing, and regulation of Class III gaming in Washington.

As part of our ongoing co-regulatory relationship with the tribes, and to improve operational efficiency and the use of new technology, we jointly agreed to 16 clarifications of compact appendices, and we concurred with 311 internal control and game rule submissions. Several of these compact clarifications were agreements related to new concepts that required extensive staff time complete.

STAFF CONTACT

Julie Lies, Tribal Liaison
360-486-3586 | julie.lies@wsgc.wa.gov

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SUPERIOR COURT OF WASHINGTON FOR THURSTON COUNTY

LOTTERY NOW, INC. a Delaware corporation,

Plaintiffs,

v.

WASHINGTON STATE GAMBLING COMMISSION,

Defendant

Case No. 21-2-01794-34

SUMMONS

TO: WASHINGTON STATE GAMBLING COMMISSION;

A lawsuit has been started against you in the above-entitled court by Lottery Now, Inc. ("Plaintiff"). Plaintiff's claim is stated in the written Complaint, a copy of which is served upon you with this Summons.

In order to defend against the lawsuit, you must respond to the complaint by stating your defense in writing, and serve a copy upon the undersigned attorney for the Plaintiff within 20 days after the service of this Summons, or within 60 days if this Summons was served outside the State of Washington, excluding the day of service, or a default judgment may be entered against you without notice. A default judgment is one where the Plaintiff is entitled to what it asks for because you have not responded. If you serve a notice of

1 appearance on the undersigned attorney, you are entitled to notice before a default judgment
2 may be entered.

3 You may demand that the Plaintiff file the lawsuit with the court. If you do so, the
4 demand must be in writing and must be served upon the Plaintiff. Within 14 days after the
5 service of the demand, the Plaintiff must file this lawsuit with the court, or the service on you
6 of this Summons and Complaint will be void.

7 If you wish to seek the advice of an attorney in this matter, you should do so promptly
8 so that your written response, if any, may be served on time.

9 This Summons is stated pursuant to Rule 4 of the Superior Court Civil Rules of the
10 State of Washington.

11

12 Dated: October 25, 2021

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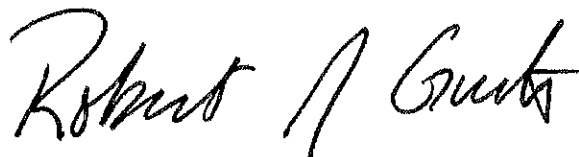
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SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

15

16

By



17

Robert J. Guite, WSBA No. 25753
Attorneys for Plaintiff
Lottery Now, Inc.

18

19

20 File Response with:

Serve a copy of your
Response on:

21

22 Clerk of the Superior Court
23 Thurston County Superior Court
24 2000 Lakeridge Dr. SW
Olympia, WA 98502

Sheppard Mullin Richter & Hampton LLP
Four Embarcadero Center, 17th Floor
San Francisco, CA 94111
Attn: Robert J. Guite

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SUPERIOR COURT OF WASHINGTON FOR THURSTON COUNTY

LOTTERY NOW, INC. a Delaware corporation,

Plaintiffs,

v.

WASHINGTON STATE GAMBLING COMMISSION,

Defendant

Case No. 21-2-01794-34

COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF

Lottery Now, Inc. ("Plaintiff") files this Complaint against the Washington State Gambling Commission ("Commission") and in support thereof alleges as follows:

INTRODUCTION AND FACTUAL BACKGROUND

1. Plaintiff operated, and wishes to operate again, a digital courier service in the State of Washington whereby its customers can place orders for and manage Washington State Lottery tickets via a mobile device. Plaintiff is currently operating this digital courier service model in several other states.

2. Plaintiff designed and operates a lottery solution for the 21st-century. State-run lotteries, including the Washington State Lottery (the "Lottery"), are trapped in a 20th-century dynamic as they remain cash-based and tethered to physical locations to purchase and redeem

1 tickets. For most consumers, this is an outdated model, even without varied physical distancing
2 guidelines imposed by the current global pandemic. To buy a ticket, customers must get cash,
3 physically go to a retail location, exchange cash for paper goods and then go back to the store to
4 claim their winnings. The process is the very antithesis of how we all approach commerce and life
5 in general today.

6 3. Plaintiff's Mido Lotto App offers a simple, safe and secure platform that enables
7 Plaintiff to act as an agent for players in the State of Washington such that they can order and
8 manage Washington State Lottery tickets directly on their mobile devices. This allows customers
9 to avoid the time and expense of going to a store and obtaining cash from an ATM. It allows
10 customers to avoid the risk of losing tickets or having to make a second trip to the store to claim
11 winnings. Its App is like Instacart, but for Lottery tickets.

12 4. Plaintiff works with official state-licensed Lottery retailers, acting as a digital
13 courier to allow its customers to buy official state Lottery draw-game tickets.

14 5. Plaintiff is not an online gaming company and does not operate any games of
15 chance or skill. Plaintiff offers a unique digital "courier service" for the ordering and management
16 of lottery tickets. Any order placed is fulfilled from a licensed retailer. Plaintiff allows users to
17 securely order Lottery draw-game tickets safely from their mobile devices.

18 6. Plaintiff is not affiliated with, nor endorsed by any state lottery commission, and
19 makes no claim of ownership regarding any intellectual property of any state lottery; however, any
20 order placed by a customer is fulfilled by a retailer licensed by the state lottery. Plaintiff ensures
21 strict adherence to Lottery regulations for anyone wishing to order a ticket through compliance
22 protocols, including measures to ensure that customers are physically located in the State of
23 Washington and of legal age to play.

24 7. Plaintiff's customers load funds to their account and order tickets through the App.
25 Plaintiff fulfills orders for physical tickets by purchasing Lottery tickets on behalf of the
26

1 customers at official state-licensed retail locations. Plaintiff notifies players when it is time to
2 check their tickets and assists players in obtaining their winnings.

3 8. Like virtually every other delivery or service App, Plaintiff charges a small
4 convenience fee at the time of order. This fee allows Plaintiff to provide the convenience of
5 managing tickets on its customers' mobile devices. Plaintiff does not take any portion of customer
6 winnings, and charges customers the same price for the tickets as the licensed retailers charge
7 when Plaintiff purchases the customers' tickets on behalf of the customer.

8 9. Plaintiff makes ordering Lottery tickets fast and easy using a mobile device
9 allowing its customers to save the time and avoid the inconvenience of having to visit a
10 convenience store or other authorized retailer to purchase lottery tickets.

11 10. At or around the time of the launch of Mido Lotto in the State of Washington,
12 media reports described Plaintiff's App as follows:

13 Lottery players in Washington State have a new way to play their favorite draws
14 online.

15 Lottery Now describes its product as being "like DoorDash or Instacart," minus the
16 physical delivery. If you've ever shopped online, you pretty much know how to use
17 a lottery courier already.

18 You can only use Mido Lotto to buy draw tickets, not scratch-offs or other
19 products. You do, however, have a lot of options. Once you've registered an
20 account and funded your wallet, you just choose the games you want to play, along
21 with your numbers. You can, of course, choose to have some random numbers
22 assigned to you.

23 Lottery Now then buys the tickets, scans them, and sends you the proof. When the
24 draw happens, you'll get notified to check whether you won or not. If you did,
25 prizes up to \$600 get deposited directly to your account. From there, you can
26 withdraw your winnings or use them to buy more tickets.

27 Bigger prizes require the ticket holder to claim them personally. In that case,
28 Lottery Now will arrange to have the winning ticket delivered to your house in
29 secure fashion.

30 <https://www.onlinepokerreport.com/49013/mido-lotto-in-washington-state/> (last accessed
31 Oct. 14, 2021); *see also* [https://www.seattlepi.com/local/seattlenews/article/new-app-buy](https://www.seattlepi.com/local/seattlenews/article/new-app-buy-mega-millions-powerball-tickets-online-16078336.php)
32 [mega-millions-powerball-tickets-online-16078336.php](https://www.seattlepi.com/local/seattlenews/article/new-app-buy-mega-millions-powerball-tickets-online-16078336.php) (last accessed Oct. 14, 2021).

1 JURISDICTION AND VENUE

2 11. This Court has jurisdiction over this action pursuant to RCW 9.46.095, which
3 provides in relevant part:

4 **Gambling Commission-Proceedings against, jurisdiction-Immunity from**
5 **liability.** No court of the state of Washington other than the superior court of
6 Thurston county shall have jurisdiction of any action or proceeding against the
commission or any member thereof..

7 12. This Court also has subject matter jurisdiction of this action pursuant to RCW 7.24,
8 the Washington Uniform Declaratory Judgments Act. As set forth below, an actual and justiciable
9 controversy exists between Plaintiff, on the one hand, and the Commission on the other, regarding
10 the Plaintiff's ability to operate its digital courier service under Washington law.

11 13. Pursuant to RCW 9.46.095, venue is proper in the Superior Court of Washington
12 for Thurston County.

13 PARTIES

14 14. Plaintiff is a Delaware corporation that previously operated its digital courier
15 service for the ordering and management of lottery tickets in Washington and would like to
16 continue to do so if it were not under the threat of enforcement action in the form of fines,
17 penalties and/or criminal sanction.

18 15. The Commission is a regulatory and law enforcement authority with the statutory
19 authority to "regulate and establish the type and scope of and manner of conducting the gambling
20 activities" authorized by RCW 9.46 ("Act"). Under RCW 9.46.210, the Commission has the
21 power to enforce the penal laws of the State of Washington with regard to, among other things,
22 conduct of or participation in gambling activities.

23 COMMUNICATIONS WITH WASHINGTON LOTTERY AND

24 WASHINGTON STATE GAMBLING COMMISSION

25 16. Prior to commencing operations in Washington, Plaintiff also opened a dialog with
26 the Washington Lottery to discuss its anticipated operations. These discussions began in mid-

1 2020 and culminated with Plaintiff's courtesy notice regarding its intent to operate in the State of
2 Washington on February 1, 2021.

3 17. The Washington Lottery, through its Director Marcus J. Glasper, responded by
4 letter of February 9, 2021 to acknowledge Plaintiff's notice and wrote:

5 At this time, we are evaluating the situation in consultation with the Office of the
6 Attorney General and the Washington State Gambling Commission. Specifically,
7 we are investigating whether Lottery Now's activities through MIDO Lotto require
8 any form of licensure and/or violate existing civil, criminal, or regulatory rules or
9 laws. Given our current understanding of the situation, Washington's Lottery
10 wishes to document its position for the record so that there is no misunderstanding
11 as you move forward with your activities.

12 Washington's Lottery does not endorse, support, encourage, or approve of Lottery
13 Now's activities in Washington State. The Legislature entrusts to us and our
14 licensees, but no one else, the privilege of selling lottery products. The success of
15 the Lottery is founded on that trust, as well as the trust of the people of this state.
16 Citizens must be confident they are purchasing from a respected and trustworthy
17 source. Honest citizens fall prey to myriad lottery scams each and every day.
18 Although we would not place you in that category, any dilution of our status as the
19 sole purveyor of legal lottery products in this state reduces the public's ability to
20 differentiate between legitimate and illegitimate sellers and ultimately damages our
21 brand and the contributions we make to our statutory beneficiaries.

22 You may view your activities as falling into a "gray area" of Washington law, and
23 in the end, that may turn out to be an accurate assumption. However, we strongly
24 believe that the appropriate action would be to engage in the legislative process to
25 clarify or change the law rather than pushing boundaries to the state's, and
26 potentially to your own, detriment. Should you choose to pursue legislation or it is
determined that your activities fall within our current legal framework, we stand
ready to assist in whatever appropriate fashion.

Again, I thank you for your courtesy phone call and I hope this communication
clarifies our current position and any risks you might be taking.

18 18. On or about May 3, 2021, Plaintiff received a cease and desist letter from the
19 Commission's Acting Assistant Director, Gary Drumheller, dated April 26, 2021 taking the
20 position that Plaintiff's website and its Mido Lotto App constituted unauthorized gambling
21 activity.
22

23 19. The Commission demanded that "Lottery Now, Inc. must cease all operations in
24 Washington State immediately" and asserted that Plaintiff's operations met the "definition of
25 gambling in RCW 9.36.0237" and that Plaintiff was "engaging in professional gambling" in
26

1 violation of RCW 9.46.240. The Commission further alleged that transmitting gambling
2 information over the internet and selling lottery tickets without holding a license violated RCW
3 67.70.140. The letter demanded Plaintiff's "voluntary compliance" by May 12, 2021 and advised
4 that "we will look to take further action under our law enforcement authority granted to us by our
5 Gambling Act" if Plaintiff failed to comply. Thus, an actual and existing controversy exists.

6 20. Plaintiff sought to have a dialog with the Commission given its conclusion that its
7 digital courier services did not violate the Gambling Act, RCW 9.46, and that its operations were
8 lawful. To that end, on May 7, 2021 Plaintiff sent a letter in response to the Commission's letter
9 dated April 26, 2021. Plaintiff wrote in relevant part:

10 Lottery Now, Inc. received the State of Washington Gambling Commission's letter
11 regarding its business that recently launched in the state of Washington. Based on
12 the descriptions of services found in the Gambling Commission's April 26, 2021
13 letter, Lottery Now believes the Gambling Commission may have a misconception
14 as to the nature of the services offered by Lottery Now. Lottery Now would like to
15 take this opportunity to describe the services it offers through its website and its
16 Mido Lotto mobile app with the hope that this discussion will allow the Gambling
17 Commission to better understand the services. Accordingly, it provides this
18 response well in advance of the May 12, 2021 deadline set in the letter to allow
19 time for a further dialog should you have additional questions.

20 Lottery Now provides a third-party service to anyone of legal age that makes it
21 easier for eligible people play the Washington State Lottery in accordance with
22 enabling legislation and established regulations. Through Lottery Now's website
23 or Mido Lotto mobile app, eligible persons can place an order from anywhere in the
24 state specifying the Washington State Lottery tickets they want to purchase. Once
25 an order is received and a Lottery Now account is funded by the purchaser with the
26 money to purchase the ticket, Lottery Now sends an agent for the purchaser to a
licensed Washington State Lottery retailer to fulfill the desired ticket order on
behalf of the customer.

27 Importantly, Lottery Now does not purchase Washington State Lottery tickets on
28 its own behalf. It never takes ownership of the tickets – tickets are acquired on
29 behalf of customers who have the legal right to those tickets, as set out in the Terms
30 of Service applicable to Lottery Now's website and Mido Lotto mobile app. As a
31 result, Lottery Now does not sell Washington State Lottery tickets or change the
32 manner in which Lottery tickets are sold. Rather, Lottery Now acts as an agent for
33 its customers, assisting the customers in their purchase of Washington State Lottery
34 tickets. Lottery Now does not operate any lottery itself, and does not assist its
35 customers in participating in any other lottery or gambling operation. Lottery Now
36 simply helps its customers participate in the Washington State Lottery through their
purchases from authorized retailers.

1 Lottery Now's business model is intended to fully comply with all Washington
2 State laws and regulations, including those identified in the Gambling
3 Commission's letter. As laid out above, Lottery Now believes that its services do
4 not constitute gambling or professional gambling, and do not transmit gambling
5 information, as those terms are used in RCW Chapter 9.46. Rather, its services
6 only assist customers in the customers' purchase of Washington State Lottery
7 tickets, which is an activity that is exempted from the provisions of RCW Chapter
8 9.46, as set out in RCW 9.46.291. Lottery Now is not a gambling or lottery
9 operator. It does not assist with or provide any other games, gambling, or lotteries.
10 Nor does Lottery Now engage in selling Washington State Lottery tickets in
11 violation of RCW 67.70.140, in that it never takes ownership of or title to the
12 tickets it purchases. Again, the method by which a Washington State Lottery ticket
13 is sold is unchanged. Lottery Now merely acts as an agent for its customers
14 making authorized purchases. And, as noted above, Lottery Now does not
15 purchase or maintain an inventory of tickets that it then provides to customers. It
16 does not hold any interest in the tickets it purchases for its customers. Rather, it
17 operates only as an agent for each eligible Washington State Lottery player once an
18 order is placed and an account is funded specifically purchasing only those tickets
19 requested. In these circumstances, Lottery Now is not "engaging in professional
20 gambling" nor is it "transmitting gambling information" in violation of Washington
21 law. Its conduct fits within the exemption of RCW 9.46.291.

22 Lottery Now welcomes a dialogue with the Gambling Commission regarding its
23 services offered to people in Washington state.

24 21. The Commission responded by its letter dated May 13, 2021 again taking the
25 position that Plaintiff's operations violated RCW 9.46 and constituted professional gambling and
26 demanding that Plaintiff cease operations or face "further action under our law enforcement
authority granted to us by the Gambling Act."

21 22. On May 26, 2021, representatives of Plaintiff, the Washington Lottery and the
22 Commission participated in a conference call to discuss Plaintiff's operations. Plaintiff explained
23 how its operations did not fit within the prohibitions of the Gambling Act. The Commission was
24 unmoved and did not rescind its demand to cease and desist. However, given the ongoing dialog,
25 the Commission agreed to extend the deadline to cease operations to May 31, 2021.

26 23. In light of the imminent threat of enforcement action and the possible imposition of
criminal sanction, Plaintiff complied with the Commission's request advising the Commission's
counsel that operations would cease on or before May 31, 2021 and ceased operations by that date.

1 24. Since that time, Plaintiff has not conducted operations in the State of Washington,
2 though it would do so but for the Commission’s correspondence demanding that it cease operation
3 or face law enforcement activity and criminal sanction under the Gambling Act.

4 **CAUSES OF ACTION**

5 **FIRST CLAIM**

6 **(For Declaratory Judgment Under RCW 7.24)**

7 25. Plaintiff realleges paragraphs 1-24 above as if fully set forth herein.

8 26. Pursuant to RCW 7.24, Plaintiff seeks a declaratory judgment that:

- 9 a. The operation of Plaintiff’s website and/or App is not in violation of
10 Washington law, particularly the Act, RCW 9.46;
- 11 b. That Plaintiff’s App is not “professional gambling” under the Act;
- 12 c. That Plaintiff’s operations would not materially aid or engage in gambling
13 activity under the Act;
- 14 d. That Plaintiff’s App does not involve “accepting bets ... in which the bettor
15 is charge a fee, or vigorish for the opportunity to place a bet” under the Act;
16 and
- 17 e. That Plaintiff’s website and App do not violate Washington’s prohibition on
18 using the Internet for gambling.

19 **SECOND CLAIM**

20 **(For Preliminary and Permanent Injunction)**

21 27. Plaintiff realleges paragraphs 1-26 as if fully set forth herein.

22 28. Plaintiff seeks an injunction barring the Commission from taking enforcement
23 action against Plaintiff for its operation of the website or the App as alleged herein.

24 29. The Commission and its agents have threatened Plaintiff with legal action,
25 confiscation of their property, and criminal charges should it continue to operate the website or the
26 App.

1 30. Because Plaintiff's conduct is not prohibited by the Act, the Court should enter
2 preliminary and permanent injunctive relief enjoining the Commission and/or any other agency
3 acting under color of legal authority of the State of Washington from:

- 4 a. Initiating legal or other enforcement actions against Plaintiff based on the
5 operation of the website or the App;
- 6 b. Seizing or removing Plaintiff's property;
- 7 c. Interfering in the operation of Plaintiff's business except as permitted or
8 otherwise required by law; and
- 9 d. Initiating criminal or civil enforcement action against Plaintiff based upon
10 the operation of the website or the App.


PRAYER FOR RELIEF

11 WHEREFORE, Plaintiff prays for:

- 12 1. For a Declaratory Judgment affirming that the operation of the App is not
13 prohibited by the Act;
- 14 2. For Preliminary and Permanent Injunctive Relief;
- 15 3. For their costs and attorneys' fees;
- 16 4. For such other, and further, relief as the Court may deem just and equitable.

17 Dated: October 25, 2021

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

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20 By 

Robert J. Guite, WSBA No. 25753

Attorneys for Plaintiff
Lottery Now. Inc.

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SUPERIOR COURT OF WASHINGTON FOR THURSTON COUNTY

LOTTERY NOW, INC. a Delaware corporation,

Plaintiffs,

v.

WASHINGTON STATE GAMBLING COMMISSION,

Defendant

Case No. 21-1-01794-34

CASE INFORMATION COVER SHEET (CICS)

Please check one category that best describes this case for indexing purposes.


Accurate case indexing not only saves time in docketing new cases, but helps in forecasting needed judicial resources. Cause of action definitions are listed on the back of this form. Thank you for your cooperation.

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| <input type="checkbox"/> | ABJ | Abstract of Judgment | <input type="checkbox"/> | PRG | Property Damage – Gangs |
| <input type="checkbox"/> | ABL | Abusive Litigation | <input type="checkbox"/> | PRP | Property Damages |
| <input type="checkbox"/> | ALR | Administrative Law Review | <input type="checkbox"/> | QTI | Quiet Title |
| <input type="checkbox"/> | ALRJT | Administrative Law Review-Jury Trial (L&I) | <input type="checkbox"/> | RDR | Relief from Duty to Register |
| <input type="checkbox"/> | BAT | Ballot Title | <input type="checkbox"/> | RFR | Restoration of Firearm Rights |
| <input type="checkbox"/> | CHN | Non-Confidential Change of Name | <input type="checkbox"/> | SDR | School District-Required Action Plan |
| <input type="checkbox"/> | CBC | Contractor Bond Complaint | <input type="checkbox"/> | SER | Subdivision Election Process Law Review |
| <input type="checkbox"/> | COL | Collection | <input type="checkbox"/> | SPC | Seizure of Property-Commission of Crime |
| <input type="checkbox"/> | CON | Condemnation | <input type="checkbox"/> | SPR | Seizure of Property-Resulting from Crime |
| <input type="checkbox"/> | COM | Commercial | <input type="checkbox"/> | STK | Stalking Petition |
| <input type="checkbox"/> | CRP | Pet. for Cert. of Restoration of Opportunity | <input type="checkbox"/> | SXP | Sexual Assault Protection |
| <input type="checkbox"/> | DOL | Appeal Licensing Revocation | <input type="checkbox"/> | TAX | Employment Security Tax Warrant |
| <input type="checkbox"/> | DVP | Domestic Violence | <input type="checkbox"/> | TAX | L & I Tax Warrant |
| <input type="checkbox"/> | EOM | Emancipation of Minor | <input type="checkbox"/> | TAX | Licensing Tax Warrant |
| <input type="checkbox"/> | FJU | Foreign Judgment | <input type="checkbox"/> | TAX | Revenue Tax Warrant |
| <input type="checkbox"/> | FOR | Foreclosure | <input type="checkbox"/> | TMV | Tort – Motor Vehicle |
| <input type="checkbox"/> | FPO | Foreign Protection Order | <input type="checkbox"/> | TRJ | Transcript of Judgment |
| <input type="checkbox"/> | HAR | Unlawful Harassment | <input type="checkbox"/> | TTO | Tort – Other |
| <input checked="" type="checkbox"/> | INJ | Injunction | <input type="checkbox"/> | TXF | Tax Foreclosure |
| <input type="checkbox"/> | INT | Interpleader | <input type="checkbox"/> | UND | Unlawful Detainer – Commercial |
| <input type="checkbox"/> | LCA | Lower Court Appeal – Civil | <input type="checkbox"/> | UND | Unlawful Detainer – Residential |
| <input type="checkbox"/> | LCI | Lower Court Appeal – Infractions | <input type="checkbox"/> | VAP | Vulnerable Adult Protection Order |
| <input type="checkbox"/> | LUPA | Land Use Petition Act | <input type="checkbox"/> | VEP | Voter Election Process Law Review |
| <input type="checkbox"/> | MAL | Other Malpractice | <input type="checkbox"/> | VVT | Victims of Motor Vehicle Theft-Civil Action |
| <input type="checkbox"/> | MED | Medical Malpractice | <input type="checkbox"/> | WDE | Wrongful Death |
| <input type="checkbox"/> | MHA | Malicious Harassment | <input type="checkbox"/> | WHC | Writ of Habeas Corpus |
| <input type="checkbox"/> | MSC2 | Miscellaneous – Civil | <input type="checkbox"/> | WMW | Miscellaneous Writs |
| <input type="checkbox"/> | MST2 | Minor Settlement – Civil (No Guardianship) | <input type="checkbox"/> | WRM | Writ of Mandamus |
| <input type="checkbox"/> | PCC | Petition for Civil Commitment (Sexual Predator) | <input type="checkbox"/> | WRR | Writ of Restitution |
| <input type="checkbox"/> | PFA | Property Fairness Act | <input type="checkbox"/> | WRV | Writ of Review |
| <input type="checkbox"/> | PIN | Personal Injury | <input type="checkbox"/> | XRP | Extreme Risk Protection Order |
| <input type="checkbox"/> | PRA | Public Records Act | <input type="checkbox"/> | XRU | Extreme Risk Protection Order Under 18 |

Dated: October 25, 2021

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

By 

Robert J. Guite, WSBA No. 25753
Attorneys for Plaintiff
Lottery Now, Inc.

E FILED
THURSTON COUNTY, WA
SUPERIOR COURT
10/25/2021 3:14:12 PM
Linda Myhre Enlow
Thurston County Clerk

SUPERIOR COURT OF WASHINGTON
IN AND FOR THURSTON COUNTY

LOTTERY NOW INC
VS
STATE GAMBLING COMMISSION

No. 21-2-01794-34
NOTICE OF ASSIGNMENT AND NOTICE OF
TRIAL SETTING DATE

TO: THURSTON COUNTY CLERK
ATTORNEYS/LITIGANTS

PLEASE TAKE NOTICE:

1. That the above-noted case number is assigned to: **The Honorable Carol Murphy**
2. That the trial setting date for this case is: **February 25, 2022**

Do not come to court on the trial scheduling date. Do not call or e-mail the court. Instead, file a scheduling questionnaire and serve it on the other parties. The questionnaire is attached to this notice. Review Local Court Rule 40 for more information about scheduling.

3. **Plaintiff:** You must serve both this notice and a blank scheduling questionnaire 14 days prior to the trial setting date. If there is no proof of service, the court will not issue a case scheduling order. You must file a completed scheduling questionnaire 5 court days prior to the trial setting date.
4. **All Other Parties:** You must file and serve a completed scheduling questionnaire 2 court days prior to the trial setting date. Joint submissions by both parties are also accepted on this date.
5. Failure to timely submit a scheduling questionnaire shall not be grounds to delay issuing a case schedule order, and it shall not be grounds to continue the trial unless good cause is demonstrated.
6. The court will not issue a case schedule order unless the case is ready to be scheduled. "Readiness" for scheduling is explained in Local Court Rule 40, which is available on the court's web site and in law libraries.
7. Parties can obtain an earlier trial scheduling date by filing and serving a notice of issue form.

Dated on this the 25th day of October, 2021.

Hearing date: _____

Hearing time: _____

Judge/Calendar: _____

**SUPERIOR COURT OF WASHINGTON
IN AND FOR THURSTON COUNTY**

LOTTERY NOW INC
VS
STATE GAMBLING COMMISSION

No. 21-2-01794-34
SCHEDULING QUESTIONNAIRE SUBMITTED BY:
 Plaintiff/Petitioner/Appellant
(file 5 court days before trial setting)
 Defendant/Respondent
(file 2 court days before trial setting)
 Joint Submission or Other Party: _____
(file 2 court days before trial setting)

See Local Court Rule 40 to learn how the court schedules cases.

1. Will this be a bench trial, jury trial, or appeal from lower court or agency?
Note: Jury demands must be filed separately and are due by the trial setting date under CR 38(b).
2. Have all of the defendants or respondents been served: Yes No
3. If this is an appeal, has the appellate record (including any transcript) been delivered to the court clerk, or is there a separate certification that the record at this court is complete? Yes No
4. If this is an appeal from an agency, do you wish to directly transfer it to the Court of Appeals under RCW 34.05.518? Yes No (explain):

-
5. Is this case subject to civil arbitration? Yes No
 6. How long do you estimate the trial or final hearing will take? _____ hours or _____ days.
 7. When do you anticipate this case will be ready for trial? Month: _____ Year: _____
 8. When are you **unavailable** for trial in the next 24 months? (attach unavailable dates).
 9. Is this case subject to civil arbitration? Yes No Don't know
 10. Should this case be scheduled as a priority or does this case require special management by the judge? No Yes (explain):

Date: _____

SIGNED/Bar No.: _____

Name: _____

Address: _____

Telephone No: _____

E-mail address: _____

SIGNED/Bar No: _____

Name: _____

Address: _____

Telephone No. _____

E-mail address: _____



**STATE OF WASHINGTON
GAMBLING COMMISSION**

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

April 26, 2021

Lottery Now, Inc.
Attn: Kevin Kramer
PO Box 29601
San Francisco, CA 94129

10 Jordan Lane, #35
McAllister, MT 59740

SUBJECT: CEASE and DESIST – Unauthorized Gambling Activity

Dear Mr. Kramer,

The Washington State Gambling Commission is the state law enforcement agency responsible for enforcing Washington State's gambling laws and we have investigated a complaint we received against your organization, Lottery Now, Inc. and its mobile application, Mido Lottery. The Washington State Gambling Commission has determined that Lottery Now's website, www.lottery-now.com, and its Mido Lotto app, are actively engaged in or facilitating illegal gambling activities in Washington State.

Lottery Now, Inc. must cease all operations in Washington State immediately. Lottery Now's activities meet the definition of gambling in RCW 9.46.0237. As such, Lottery Now is engaging in professional gambling, as defined by RCW 9.46.0269, and your website and Mido Lottery app are in violation of RCW 9.46.240, transmitting gambling information over the phone or internet, which is a class C felony. Finally, Lottery Now is selling lottery tickets to Washington residents without holding the proper license to do so, in violation of RCW 67.70.140, which is a class B felony.

Therefore, Lottery Now's activities violate Washington State gambling laws and are subject to the penalties in the state's Gambling Act, Chapter 9.46 of the Revised Code of Washington (RCW). You must immediately cease the operation of your online gambling activity through your website and mobile app. It is the Gambling Commission's goal to obtain voluntary compliance with gambling laws and regulations. As such, we are making this effort to inform you of the above violations in the hope you will take steps to end this unauthorized gambling by May 12, 2021 and return all funds paid by any Washington participants no later than May 24, 2021.

We appreciate your attention to this matter and expect you will voluntarily comply. However, we will look to take further action under our law enforcement authority granted to us by our Gambling Act if you do not meet the May 24, 2021 deadline.

Please contact Staff Attorney Adam Teal, by email at adam.teal@wsgc.wa.gov. if you have any questions regarding this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Drumheller', with a long horizontal flourish extending to the right.

Gary Drumheller
Acting Assistant Director

Enclosure

cc: Terry Bach, Special Agent
Michael Boone, Special Agent Supervisor
Matthew Marzucco, Paracorp Incorporated

RCW 9.46.0237

"Gambling."

"Gambling," as used in this chapter, means staking or risking something of value upon the outcome of a contest of chance or a future contingent event not under the person's control or influence, upon an agreement or understanding that the person or someone else will receive something of value in the event of a certain outcome. Gambling does not include fishing derbies as defined by this chapter, parimutuel betting and handicapping contests as authorized by chapter **67.16** RCW, bona fide business transactions valid under the law of contracts, including, but not limited to, contracts for the purchase or sale at a future date of securities or commodities, and agreements to compensate for loss caused by the happening of chance, including, but not limited to, contracts of indemnity or guarantee and life, health, or accident insurance. In addition, a contest of chance which is specifically excluded from the definition of lottery under this chapter shall not constitute gambling.

[**2005 c 351 § 1**; **1987 c 4 § 10**. Formerly RCW **9.46.020(9)**.]

RCW 9.46.0269

"Professional gambling."

(1) A person is engaged in "professional gambling" for the purposes of this chapter when:

- (a) Acting other than as a player or in the manner authorized by this chapter, the person knowingly engages in conduct which materially aids any form of gambling activity; or
- (b) Acting other than in a manner authorized by this chapter, the person pays a fee to participate in a card game, contest of chance, lottery, or other gambling activity; or
- (c) Acting other than as a player or in the manner authorized by this chapter, the person knowingly accepts or receives money or other property pursuant to an agreement or understanding with any other person whereby he or she participates or is to participate in the proceeds of gambling activity; or
- (d) The person engages in bookmaking; or
- (e) The person conducts a lottery; or
- (f) The person violates RCW **9.46.039**.

(2) Conduct under subsection (1)(a) of this section, except as exempted under this chapter, includes but is not limited to conduct directed toward the creation or establishment of the particular game, contest, scheme, device or activity involved, toward the acquisition or maintenance of premises, paraphernalia, equipment or apparatus therefor, toward the solicitation or inducement of persons to participate therein, toward the actual conduct of the playing phases thereof, toward the arrangement of any of its financial or recording phases, or toward any other phase of its operation. If a person having substantial proprietary or other authoritative control over any premises shall permit the premises to be used with the person's knowledge for the purpose of conducting gambling activity other than gambling activities authorized by this chapter, and acting other than as a player, and the person permits such to occur or continue or makes no effort to prevent its occurrence or continuation, the person shall be considered as being engaged in professional gambling: PROVIDED, That the proprietor of a bowling establishment who awards prizes obtained from player contributions, to players successfully knocking down pins upon the contingency of identifiable pins being placed in a specified position or combination of positions, as designated by the posted rules of the bowling establishment, where the proprietor does not participate in the proceeds of the "prize fund" shall not be construed to be engaging in "professional gambling" within the meaning of this chapter: PROVIDED FURTHER, That the books and records of the games shall be open to public inspection.

[**1997 c 78 § 1**; **1996 c 252 § 2**; **1987 c 4 § 18**. Formerly RCW **9.46.020**(17).]

RCW 9.46.240

Gambling information, transmitting or receiving.

(1) Whoever knowingly transmits or receives gambling information by telephone, telegraph, radio, semaphore, the internet, a telecommunications transmission system, or similar means, or knowingly installs or maintains equipment for the transmission or receipt of gambling information shall be guilty of a class C felony subject to the penalty set forth in RCW **9A.20.021**.

(2) This section shall not apply to such information transmitted or received or equipment or devices installed or maintained relating to activities authorized by this chapter including, but not limited to, sports wagering authorized under RCW **9.46.0364** and **9.46.0368**, or to any act or acts in furtherance thereof when conducted in compliance with the provisions of this chapter and in accordance with the rules adopted under this chapter and conducted in accordance with tribal-state compacts.

[**2020 c 127 § 10**; **2006 c 290 § 2**; **1991 c 261 § 9**; **1987 c 4 § 44**; **1973 1st ex.s. c 218 § 24**.]

NOTES:

Intent—Effective date—2020 c 127: See notes following RCW **9.46.0364**.

State policy—2006 c 290: "It is the policy of this state to prohibit all forms and means of gambling, except where carefully and specifically authorized and regulated. With the advent of the internet and other technologies and means of communication that were not contemplated when either the gambling act was enacted in 1973, or the lottery commission was created in 1982, it is appropriate for this legislature to reaffirm the policy prohibiting gambling that exploits such new technologies." [**2006 c 290 § 1**.]

RCW 67.70.140

Penalty for unlicensed activity.

(1) Any person who conducts any activity for which a license is required by this chapter, or by rule of the commission, without the required license, is guilty of a class B felony punishable according to chapter **9A.20** RCW.

(2) If any corporation conducts any activity for which a license is required by this chapter, or by rule of the commission, without the required license, it may be punished by forfeiture of its corporate charter, in addition to the other penalties set forth in this section.

[**2003 c 53 § 305; 1982 2nd ex.s. c 7 § 14.**]

NOTES:

Intent—Effective date—2003 c 53: See notes following RCW **2.48.180**.

Kevin Kramer
Lottery Now, Inc.
PO Box 29601
San Francisco, CA 94129
(415) 269-2872
kevin@lottery-now.com

May 7, 2021

State of Washington
Gambling Commission
Attn: Adam Teal
P.O. Box 42400
Olympia, WA 98504-2400
Adam.teal@wsgc.wa.gov

Re: Cease and Desist Letter to Lottery Now, Inc.

Dear Mr. Teal:

Lottery Now, Inc. received the State of Washington Gambling Commission's letter regarding its business that recently launched in the state of Washington. Based on the descriptions of services found in the Gambling Commission's April 26, 2021 letter, Lottery Now believes the Gambling Commission may have a misconception as to the nature of the services offered by Lottery Now. Lottery Now would like to take this opportunity to describe the services it offers through its website and its Mido Lotto mobile app with the hope that this discussion will allow the Gambling Commission to better understand the services. Accordingly, it provides this response well in advance of the May 12, 2021 deadline set in the letter to allow time for a further dialog should you have additional questions.

Lottery Now provides a third-party service to anyone of legal age that makes it easier for eligible people play the Washington State Lottery in accordance with enabling legislation and established regulations. Through Lottery Now's Mido Lotto mobile app, eligible persons can place an order from anywhere in the state specifying the Washington State Lottery tickets they want to purchase. Once an order is received and a Lottery Now account is funded by the purchaser with the money to purchase the ticket, Lottery Now sends an agent for the purchaser to a licensed Washington State Lottery retailer to fulfill the desired ticket order on behalf of the customer.

Importantly, Lottery Now does not purchase Washington State Lottery tickets on its own behalf. It never takes ownership of the tickets – tickets are acquired on behalf of customers who have the legal right to those tickets, as set out in the Terms of Service applicable to Lottery Now's website and Mido Lotto mobile app. As a result, Lottery Now does not sell Washington State Lottery tickets or change the manner in which Lottery tickets are sold. Rather, Lottery Now acts as an agent for its customers, assisting the customers in their purchase of Washington State Lottery

tickets from a licensed Washington Lottery retailer. Lottery Now does not operate any lottery itself, and does not assist its customers in participating in any other lottery or gambling operation. Lottery Now simply helps its customers participate in the Washington State Lottery through their purchases from authorized retailers.

Lottery Now's business model is intended to fully comply with all Washington State laws and regulations, including those identified in the Gambling Commission's letter. As laid out above, Lottery Now believes that its services do not constitute gambling or professional gambling, and do not transmit gambling information, as those terms are used in RCW Chapter 9.46. Rather, its services only assist customers in the customers' purchase of Washington State Lottery tickets, which is an activity that is exempted from the provisions of RCW Chapter 9.46, as set out in RCW 9.46.291. Lottery Now is not a gambling or lottery operator. It does not assist with or provide any other games, gambling, or lotteries. Nor does Lottery Now engage in selling Washington State Lottery tickets in violation of RCW 67.70.140, in that it never takes ownership of or title to the tickets it purchases. Again, the method by which a Washington State Lottery ticket is sold is unchanged. Lottery Now merely acts as an agent for its customers making authorized purchases. And, as noted above, Lottery Now does not purchase or maintain an inventory of tickets that it then provides to customers. It does not hold any interest in the tickets it purchases for its customers. Rather, it operates only as an agent for each eligible Washington State Lottery player once an order is placed and an account is funded specifically purchasing only those tickets requested. In these circumstances, Lottery Now is not "engaging in professional gambling" nor is it "transmitting gambling information" in violation of Washington law. Its conduct fits within the exemption of RCW 9.46.291.

Lottery Now welcomes a dialogue with the Gambling Commission regarding its services offered to people in Washington state. Please contact me at kevin@lottery-now.com or by phone at (415) 269-2872 should you have further questions or wish to discuss this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Kramer', with a long horizontal flourish extending to the right.

Kevin Kramer
Chief Operating Officer
Lottery Now, Inc.



STATE OF WASHINGTON
GAMBLING COMMISSION

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

May 13, 2021

Lottery Now, Inc.
Attn: Kevin Kramer
PO Box 29601
San Francisco, CA 94129

10 Jordan Lane, #35
McAllister, MT 59740

SUBJECT: CEASE and DESIST – Unauthorized Gambling Activity

Dear Mr. Kramer,

Our agency has received your letter that was sent in response to the Cease and Desist letter issued to your organization April 26, 2021. As stated in that letter, it is the Washington State Gambling Commission's goal to obtain voluntary compliance with all gambling laws and rules. While your attempt to clarify Lottery Now's business model is appreciated, it does not address the underlying issue which is that Lottery Now and the Mido Lotto application continues to engage in professional gambling.

Per RCW 9.46.0269(1), a person or organization is engaged in "professional gambling" when:

- (a) Acting other than as a player or in the manner authorized by this chapter, the person knowingly engages in conduct which materially aids any form of gambling activity; or
- (b) Acting other than in a manner authorized by this chapter, the person pays a fee to participate in a card game, contest of chance, lottery or other gambling activity; or
- (c) Acting other than as a player or in the manner authorized by this chapter, the person knowingly accepts or receives money or other property pursuant to an agreement or understanding with any other person whereby he or she participates or is to participate in the proceeds of gambling activity.

Our investigation into your organization determined that Lottery Now and the Mido Lotto app clearly meet the definition of "professional gambling" in Washington. Your May 7, 2021 letter confirms this conclusion. Lottery now materially aids a form of gambling activity, offers players the opportunity to pay a fee to participate in a gambling activity, and accepts money pursuant to an agreement with its customers for them to participate in gambling activity. As a direct result, information transferred through your application meets the definition of "gambling information" per RCW 9.46.0245; the transmission of such information over telephone or the internet is illegal per RCW 9.46.240.

We therefore reiterate the request made of your organization from our original correspondence: end this unauthorized gambling activity effective immediately and return all funds paid by any Washington participants no later than May 24, 2021. If this action is not taken within the specificized time allotted, we will look to take further action under our law enforcement authority granted to us by the Gambling Act.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gary Drumheller".

Gary Drumheller
Acting Assistant Director

Enclosure

cc: Terry Bach, Special Agent
Michael Boone, Special Agent Supervisor
Matthew Marzucco, Paracorp Incorporated



walottery.com

HEADQUARTERS

PO Box 43000
Olympia WA 98504-3000
814 E 4th Ave
Olympia WA 98506-3922

Phone: 360.810.2888
Fax: 360.515.0416

February 9, 2021

Richard Wheeler
President
Lottery Now, Inc.
P.O. Box 29601
San Francisco, CA 94129

Dear Mr. Wheeler:

Thank you for reaching out to me on February 1, 2020, to provide a courtesy notification regarding your company's intent to begin operating as a lottery courier service in Washington through a mobile app called MIDO Lotto. I also appreciated the time spent with us in mid-2020 to provide an overview of your product. On our recent phone call, you indicated that you expected transactions to begin within a couple of weeks, purchasing lottery tickets on behalf of consumers in Washington. It also appears from your website that MIDO has, in fact, already begun conducting such transactions.

At this time, we are evaluating the situation in consultation with the Office of the Attorney General and the Washington State Gambling Commission. Specifically, we are investigating whether Lottery Now's activities through MIDO Lotto require any form of licensure and/or violate existing civil, criminal, or regulatory rules or laws. Given our current understanding of the situation, Washington's Lottery wishes to document its position for the record so that there is no misunderstanding as you move forward with your activities.

Washington's Lottery does not endorse, support, encourage, or approve of Lottery Now's activities in Washington State. The Legislature entrusts to us and our licensees, but no one else, the privilege of selling lottery products. The success of the Lottery is founded on that trust, as well as the trust of the people of this state. Citizens must be confident they are purchasing from a respected and trustworthy source. Honest citizens fall prey to myriad lottery scams each and every day. Although we would not place you in that category, any dilution of our status as the sole purveyor of legal lottery products in this state reduces the public's ability to differentiate between legitimate and illegitimate sellers and ultimately damages our brand and the contributions we make to our statutory beneficiaries.

You may view your activities as falling into a "gray area" of Washington law, and in the end, that may turn out to be an accurate assumption. However, we strongly believe that the appropriate action would be to engage in the legislative process to clarify or change the law

Richard Wheeler

February 9, 2021

Page 2

rather than pushing boundaries to the state's, and potentially to your own, detriment. Should you choose to pursue legislation or it is determined that your activities fall within our current legal framework, we stand ready to assist in whatever appropriate fashion.

Again, I thank you for your courtesy phone call and I hope this communication clarifies our current position and any risks you might be taking.

Sincerely,

A handwritten signature in cursive script, appearing to read "M. J. Glasper".

Marcus J. Glasper

Director

cc: Joshua Johnston, Deputy Director
Kristi Weeks, Legal Services Director

Tab 2

Sauk Suiattle Indian Tribe Compact Amendment materials are on the website separately.

Tab 3

Sports Wagering Report will be available after November 16, 2021 commission meeting.



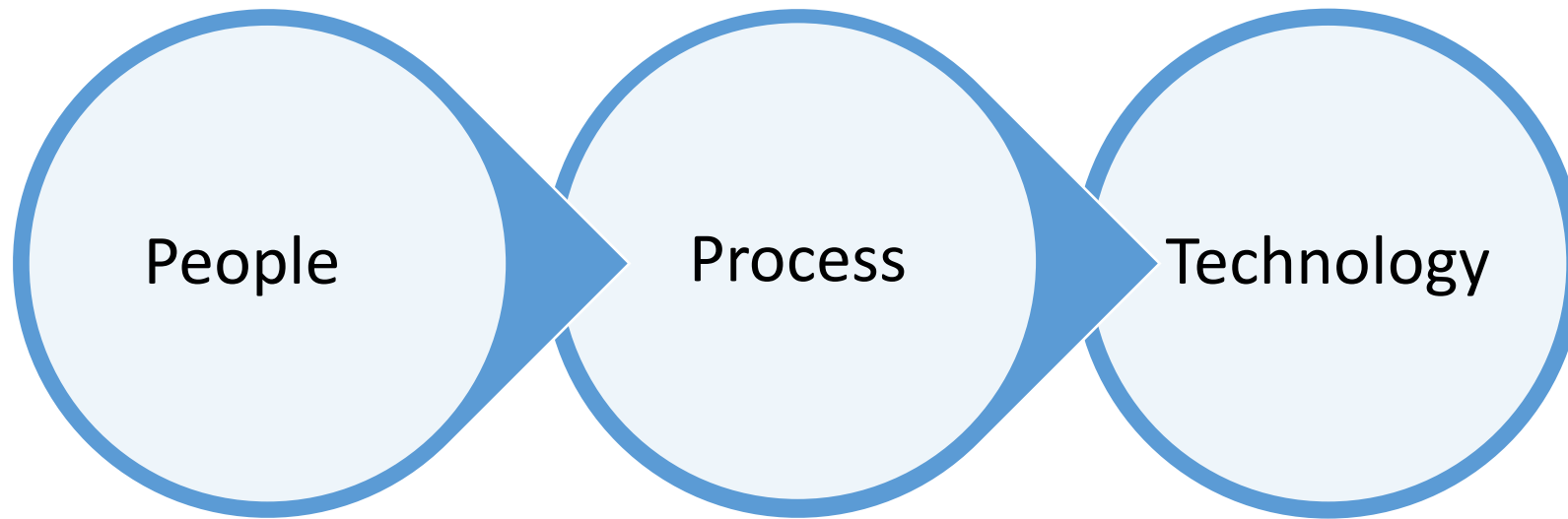
IT Modernization Galaxy

Presented by Sayee Vaitheesvaran, CIO, WSGC

Background

- **3 important technology systems in the Agency**
 - Gambling Information Management System - 2007
 - Case Management system - 2003
 - Agency Information System - 2017

Current Status of IT systems



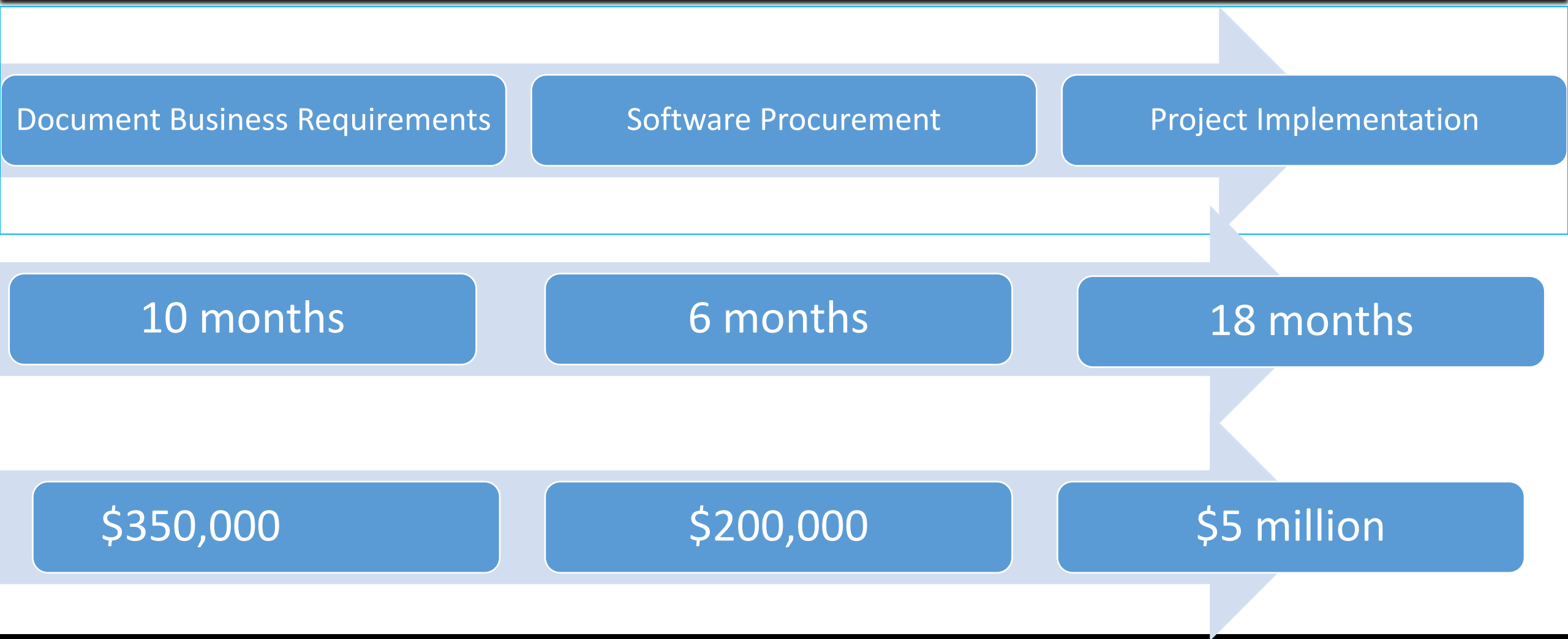
Feasibility Study

- **WSGC conducted a study (March – July 2020)**
 - Legislative directed and OCIO oversight project
 - Validated system risks
 - Recommended Modernization

IT Modernization

- **Project to improve agency business processes**
- **Project to Modernize our Technology**
- **Under OCIO oversight**

Budget and Timeline



Document Business Requirements

Software Procurement

Project Implementation

10 months

6 months

18 months

\$350,000

\$200,000

\$5 million

Summary

- **Project starting after OCIO approval**
- **Under OCIO oversight**
- **Aligned with State's technology Strategy**



Questions?

Sayee Vaitheesvaran





WSGC Agency Staffing Levels

November 16, 2021

Tina Griffin, Interim Director



WSGC Staffing Levels

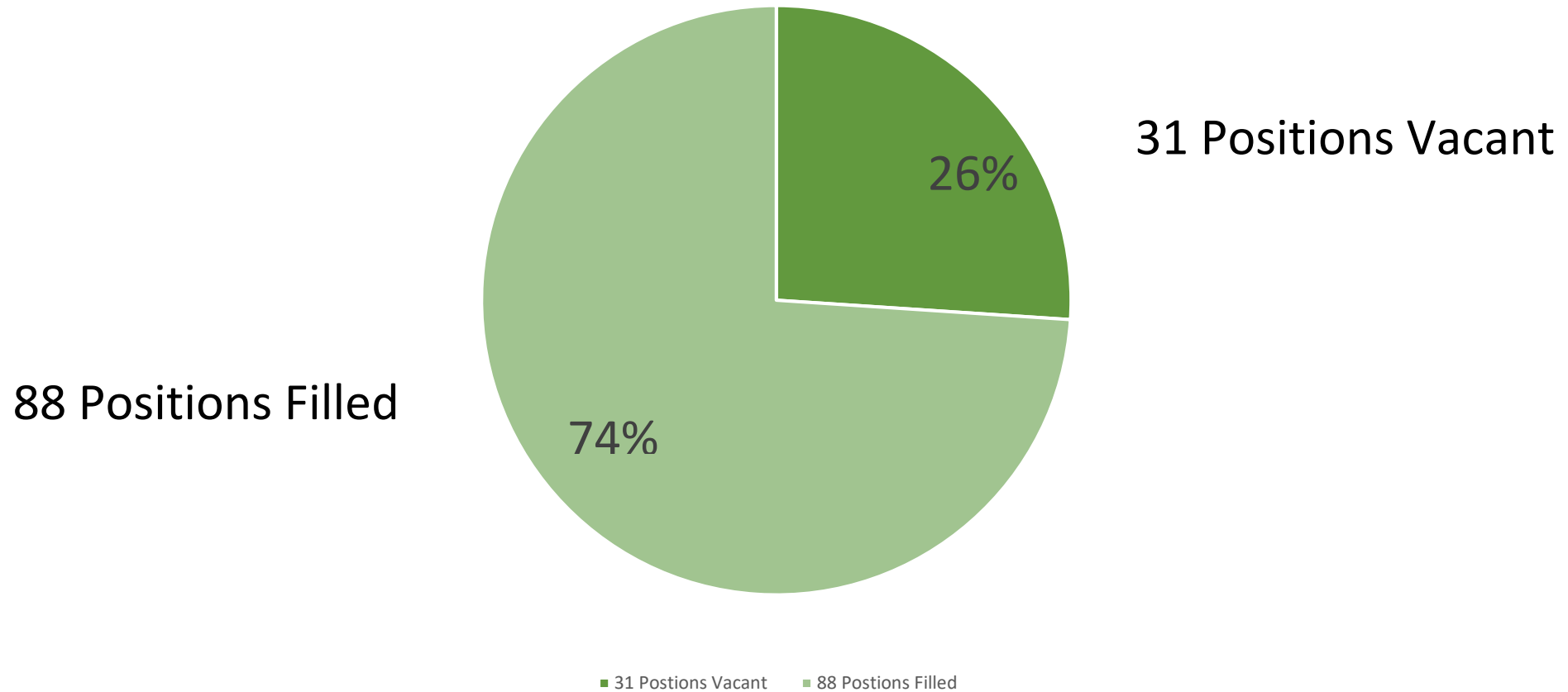


Previous Vacancy Levels

Fiscal Year	2014	2015	2016	2017	2018	2019	2020
Allotted	146	134	114	114	114	114	114.3
Actual	137.85	122.75	104.19	100.61	103.16	108.26	106.9
Variance	8.15	11.25	9.81	13.39	10.84	5.74	7.4

Staffing as of November 1, 2021

Staffing as of November 1, 2021

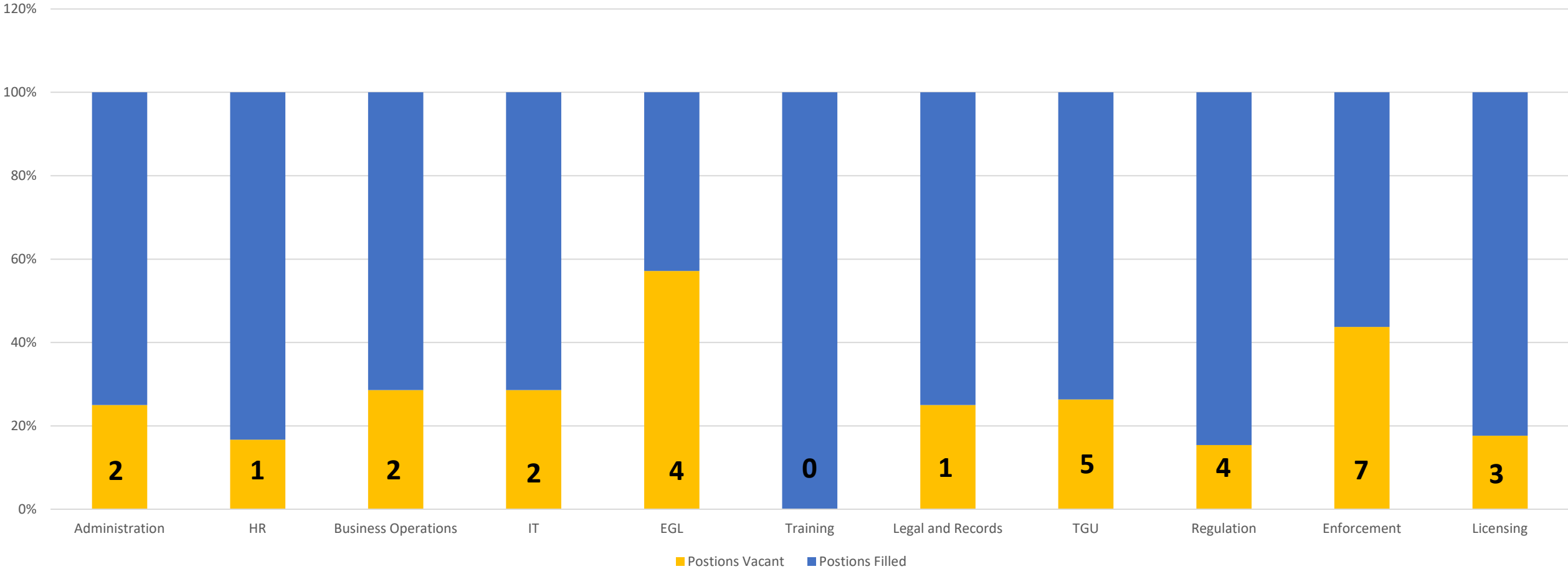


Vacancies



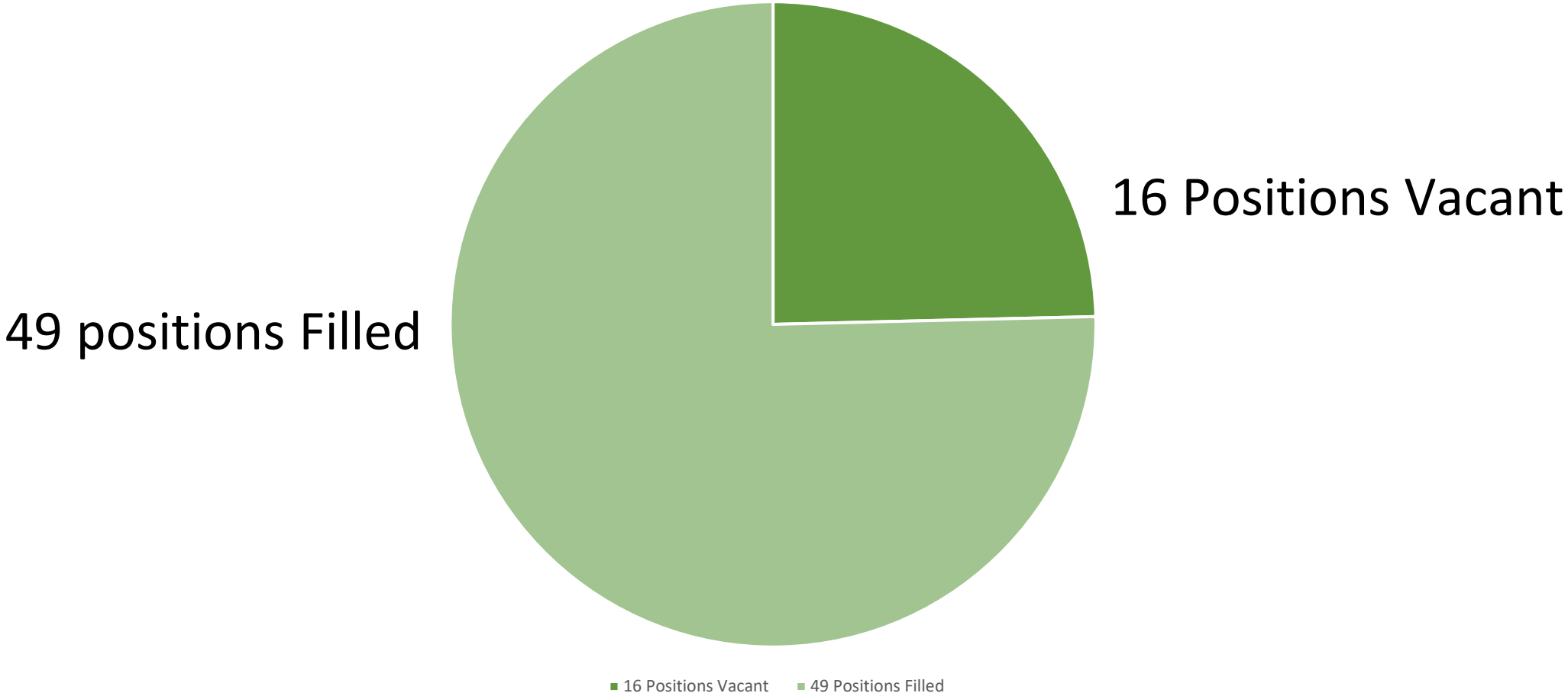
Vacancies by Unit

Vacancies by Unit as of November 1, 2021



Agent Positions as of November 1, 2021

Agent Positions as of November 1, 2021



Special Agents



Recruitment





Questions?



Staff Proposed Rule-Making
Chapter 230-23 WAC- Self-Exclusion Rules.

November 2021 – Discussion
October 2021 – Discussion & Possible Filing
August 2021 – Discussion
October 2019 – Initiated Rule-Making

Tab 6: NOVEMBER 2021 Commission Meeting Agenda. Statutory Authority 9.46.070; 9.46.071

Who Proposed the Rule Change?

Washington State Gambling Commission Staff

Background

BOLD = Changes made after October 2021 Commission Meeting.

At the October 2019 meeting, Commissioners initiated rule-making to adopt new rules to establish a statewide self-exclusion program. At the August 2021 meeting, Commissioners directed staff to continue to work on draft language to specifically address the following areas:

- Allowing counselors who provide treatment for problem gambling to verify the identity of participants and sign the self-exclusion form, in place of a notary,
- Adding a three-year enrollment period,
- Exploring the option for electronic submission,
- Providing a legal analysis of confiscated funds going only to the problem gambling account created in RCW 42.05.751,
- Evaluating the participant renewal process, and
- Annual reporting on the efficacy of the program.

At the October 2021 public meeting, Commissioners chose to file draft language, including changes made at the meeting, for further discussion. Language was filed with the Office of the Code Reviser on October 21, 2021 to be published in the Washington State Register (issue 21-22-005) and was posted on the agency website. The language looks to:

- Establishes a centralized, statewide self-exclusion program,
- Outlines how participants may request self-exclusion,
- Establishes periods of enrollment for the program,
- Acknowledges that enrollment is voluntary,
- Addresses disclosure of program information,
- Establishes licensee responsibilities, and
- Addresses how the list may be shared.

The Gambling Commission has been directed by the legislature, through Substitute House Bill 1302, to draft rules establishing a statewide self-exclusion program. The Gambling Commission has discretion in establishing the scope, process, and requirements of the self-exclusion program, however it must comply with the following requirements: the program must allow persons to voluntarily exclude themselves from gambling at authorized gambling establishments that offer house-banked social card games and any individual registered with the self-exclusion program is prohibited from participating in gambling activities associated with this program and forfeits all moneys and things of value obtained by the individual or owed to the individual by an authorized gambling establishment as a result of prohibited wagers or gambling activities. The Gambling Commission may adopt rules for forfeiture of any moneys or things of value, including wagers, obtained by an authorized gambling establishment while an individual is registered with the self-exclusion program.

Attachments:

- Chapter 230-23 WAC
- Stakeholder Feedback
- Small Business Economic Impact Statement
- Process Flowcharts
- Request for Feedback and List of Washington State Certified Gambling Counselors
- Feedback on “Certified Gambling Counselor” definition

Stakeholder Outreach and Feedback

Draft language was sent out to all licensees, tribal gaming entities, Washington State Health Care Authority, the Problem Gambling Task Force, and others with a vested interest in problem gambling on May 3, 2021 for review and feedback. Feedback was received from the following stakeholders:

- Cory Thompson
- Douglas Granstrand, Bill’s Place
- Dr. Kahlil Philander, Washington State University
- Kevin Crum, ABS Business Data, LLC
- Kevin Zenishek, Northern Quest Resort & Casino
- Laurie Myers, All Star Lanes & Casino
- Maureen Greeley, Evergreen Council on Problem Gambling
- Nanci Watson, concerned citizen (also testified at May 13, 2021 public meeting)
- Roxane Waldron, Washington State Health Care Authority
- Ryan Keith, Washington State Health Care Authority

Input was sought from the clinical and research community on whether licensees should be prohibited from adding individuals interested in self-exclusion to operator-level programs instead of the state-wide, centralized program and how player accounts should be handled. Feedback was received from:

- Dr. Kahlil Philander, Washington State University
- Maureen Greeley, Evergreen Council on Problem Gambling
- Roxane Waldron, Washington State Health Care Authority
- Dr. Ty Lostutter, UW Medicine

A Small Business Economic Impact Statement (SBEIS) was completed on August 6, 2021.

Implementation of this new chapter, chapter 230-23 WAC, self-exclusion rules, is not anticipated to impose more than minor costs on house-banked card room licensees. Initial costs will be higher as licensees will be required to notify individuals already enrolled in operator-level programs, develop procedures for implementation, and train staff. Monthly costs of implementation are expected to be relatively low and will depend on how many individuals enroll. Initial and monthly costs will vary between licensees depending on location, clientele, and staffing structure.

The SBEIS and final draft language was sent out to stakeholders for review and feedback on August 9, 2021. Feedback was received from the following stakeholders:

- Delano Saluskin, Confederated Tribes of the Yakama Nation
- Pat Hosier, TIL Gaming and Fortune Casinos
- Roxane Waldron, Washington State Health Care Authority
- Tim Woolsey, Suquamish Tribe of the Port Madison Indian Reservation
- Vern Westerdahl, Roxbury Lanes & Casino

Draft language was mailed out to the attached list of certified gambling counselors on September 16, 2021 with a request for feedback by September 24, 2021 for specific input on whether they would verify the identity of the participant and sign the self-exclusion forms and their thoughts on the proposed enrollment periods.

- Brad Galvin, Brief Therapy Works
- Hilarie Cash, reSTART Life, PLLC
- Tana Russell, Evergreen Council on Problem Gambling

Draft language was emailed to Department of Health staff responsible for regulating behavioral health professionals and treatment facilities for feedback and specific input on signing the self-exclusion form in place of a notary. No feedback has been received.

Staff reached out to the Washington State Health Care Authority and to the Evergreen Council on Problem Gambling regarding a definition of “certified gambling counselor”. Feedback was received from:

- Maureen Greeley, Evergreen Council on Problem Gambling
- Roxane Waldron, Washington State Health Care Authority
- Tana Russell, Evergreen Council on Problem Gambling

No additional feedback has been received.

Staff Recommendation

Discussion only.

**Chapter 230-23 WAC
SELF-EXCLUSION**

NEW SECTION

WAC 230-23-001 Purpose. The purpose of this chapter is to establish a centralized, statewide self-exclusion program, administered by the commission, allowing a person with a gambling problem or gambling disorder to voluntarily exclude themselves from licensed house-banked card rooms and participating tribal gaming facilities.

NEW SECTION

WAC 230-23-005 Definitions. The following definitions apply only to this chapter:

- (1) "Licensee" means a house-banked card room licensee.
- (2) "Participant" means a person who has enrolled in the voluntary self-exclusion program.
- (3) "Self-exclusion list" means a list maintained by the commission of persons who have requested to be voluntarily excluded from house-banked card room licensees and participating tribal gaming facilities in the state of Washington.
- (4) "Voluntary self-exclusion program" or "program" means the voluntary self-exclusion program authorized under RCW 9.46.071, and does not apply to gambling via horse-racing or lottery.

NEW SECTION

WAC 230-23-010 Request for self-exclusion. (1) Any person may request to be placed on the self-exclusion list voluntarily excluding themselves from house-banked card room licensees:

- (a) In person at our office, 4565 7th Avenue S.E., Lacey, Washington 98503, or at a house-banked card room licensee by:
 - (i) Submitting a completed form, which we provide on our website at www.wsgc.wa.gov; and
 - (ii) Providing proof of identity. Acceptable forms of identification include:
 - (A) A valid driver's license from any state;
 - (B) A government-issued identification card containing the person's name, photograph, and date of birth; or
 - (C) A valid passport; and
 - (iii) Submitting a photograph showing only the head and shoulders; or
- (b) Through the mail to Washington State Gambling Commission, P.O. Box 42400, Olympia, Washington 98504 by:
 - (i) Submitting a completed form, which we provide on our website at www.wsgc.wa.gov; and

- (ii) Submitting a photograph showing only the head and shoulders.
- (2) The form must be:
 - (a) Completed with no areas left blank; and
 - (b) Signed under penalty of perjury by the person seeking self-exclusion.
- (3) Upon receipt of a completed form, the licensee will forward it to us within 72 hours.
- (4) The commission must begin exploring an online self-exclusion enrollment process within six months of modernizing legacy information technology systems.

NEW SECTION

WAC 230-23-015 Period of enrollment. (1) At the time of enrollment, the participant must select a period of enrollment for self-exclusion:

- (a) One year;
 - (b) Three years;
 - (c) Five years; or
 - (d) Ten years.
- (2) The enrollment period selected begins and the participant is considered enrolled:
- (a) Upon receipt of the form by mail; or
 - (b) The date the completed form was accepted by the licensee or by us when submitted in person.
- (3) Once enrolled, the participant cannot be removed from the program prior to the initial selected period of enrollment for voluntary self-exclusion.
- (4) We will send a notice to the participant 45 days prior to the end of their initial enrollment period indicating the end of their enrollment period. If the participant chooses to end their enrollment in the self-exclusion program, they must return the form requesting to be removed from the self-exclusion list. If no response is received by the end of the enrollment period, the participant will remain on the self-exclusion list until they request to be removed. The participant may request to be removed from the self-exclusion list at any time after their initial enrollment period has ended by notifying us in the format we require.

NEW SECTION

WAC 230-23-020 Voluntary self-exclusion. Participants who voluntarily self-exclude acknowledge the following during the period of enrollment:

- (1) The ultimate responsibility to limit access to all house-banked card rooms and participating tribal gaming facilities within the state remains theirs alone; and
- (2) The self-exclusion request is irrevocable during the initial enrollment period selected and cannot be altered or rescinded for any reason; and

(3) The exclusion is in effect at all licensed house-banked card rooms and participating tribal gaming facilities in the state of Washington, which is subject to change, and all services and/or amenities associated with these gaming facilities including, but not limited to, restaurants, bars, bowling alleys, check cashing services, cash advances; and

(4) Player club memberships and accounts will be closed and all accumulated points immediately redeemed for nongaming items as the licensee's policy allows at the licensed location the participant initially enrolls for self-exclusion. All player club memberships and accounts held at other licensees and participating tribal gaming facilities will be closed and zeroed out; and

(5) New player club memberships, direct mail and marketing service complimentary goods and services and other such privileges and benefits will be denied; and

(6) Disclosure of certain information is necessary to implement the participant's request for self-exclusion; and

(7) If found on the premises of a house-banked card room licensee or participating tribal gaming facility, for any reason other than to carry out their duties of employment, they will be escorted from the premises; and

(8) All money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities will be confiscated under RCW 9.46.071 and WAC 230-23-030; and

(9) To not recover any losses from the purchase of chips and/or participating in authorized gambling activities.

NEW SECTION

WAC 230-23-025 Disclosure of self-exclusion information. (1)

Personal information submitted by a participant under the self-exclusion program is exempt from public disclosure under the Public Records Act and may not be disseminated for any purpose other than the administration of the self-exclusion program or as otherwise permitted by law.

(2) No house-banked card room licensee, employee, or agent thereof shall disclose the name of, or any information about any participant who has requested self-exclusion to anyone other than employees and agents of the house-banked card room licensee whose duties and functions require access to such information.

(3) The licensee may release the names and identifying information of participants on the self-exclusion list to contracted service providers that provide check cashing, cash advances, marketing, automated teller machines, and other financial services.

(a) The identifying information must be limited to the address, driver's license or state-issued identification number, photograph, and physical description; and

(b) Only the name and identifying information may be disclosed to contracted service providers. The licensee must neither disclose the reasons for providing the name and identifying information nor disclose that the person is on the self-exclusion list; and

(c) The licensee must require by written contract that the contracted service provider implement measures designed to ensure the

confidentiality of the names and identifying information and to prohibit the release of the names and identifying information to any other person or entity; and

(d) The licensee must immediately report to us all instances of a participant accessing or attempting to access the services provided by the contracted service providers.

NEW SECTION

WAC 230-23-030 Licensee responsibilities. Each licensee must:

(1) Make available to all patrons the self-exclusion form developed and provided by us; and

(2) Accept completed self-exclusion forms, including:

(a) Verifying the participant's identity as required on the form; and

(b) Forwarding the form to us within 72 hours of receipt; and

(3) Upon enrollment, provide the participant with information and resources for treatment of gambling problems or gambling disorders; and

(4) Designate a person or persons to be the contact person with us for purposes of self-exclusion procedures, including receipt and maintenance of the self-exclusion list, submission of the licensee's procedures, and all other communications between us and the licensee for self-exclusion purposes; and

(5) Implement updates to the state-wide self-exclusion list within 48 hours of being notified by us that the self-exclusion list has been modified; and

(6) Upon discovery that a participant has breached their self-exclusion and obtained access to the licensed premises, the licensee must take steps to:

(a) Immediately remove the participant from the premises; and

(b) Confiscate all money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities; and

(c) Notify us of the breach within 72 hours; and

(7) Train all new employees, within three days of hiring, and annually retrain all employees who directly interact with gaming patrons in gaming areas. The training must, at a minimum, consist of:

(a) Information concerning the nature of gambling disorders; and

(b) The procedures for requesting self-exclusion; and

(c) Assisting patrons in obtaining information about gambling problem and gambling disorder treatment programs.

This section must not be construed to impose a duty upon employees of the licensee to identify individuals with gambling problems or gambling disorders or impose a liability for failure to do so; and

(8) Notify participants who have requested to be excluded from house-banked card room licensees of this rule of the new statewide program, provide them with the form, and information on how they can participate in the statewide self-exclusion program. This must be accomplished within three business days following the effective date of this rule; and

(9) Establish procedures and systems for our review and approval, which:

(a) Utilize player tracking systems and other electronic means, including checking all taxable patron winnings against the self-exclusion list, to assist in determining whether a participant has engaged in any authorized activities; and

(b) Close player club memberships and accounts. All accumulated points may be immediately redeemed by the participant for nongaming items as the licensee's policy allows at the licensed location the participant initially enrolls for self-exclusion. All player club memberships and accounts held at other licensees and participating tribal gaming facilities will be closed and zeroed out; and

(c) Deny check cashing privileges, player club membership, complimentary goods and services, and other similar privileges and benefits to any participant; and

(d) Ensure participants do not receive targeted mailings, tele-marketing promotions, player club materials, or other promotional materials relative to gaming activities at house-banked card room licensees; and

(e) Verify patrons who win a jackpot prize are not participants of the program before payment of funds; and

(f) Ensure participants are not gambling in their establishment; and

(g) Ensure the confidentiality of the identity and personal information of participants; and

(h) All money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities are confiscated under RCW 9.46.071, in which the licensee will:

(i) Issue check(s) for the same monetary value confiscated within three business days after collecting or refusing to pay any winnings from gambling or chips in the possession of a participant on the self-exclusion list as follows:

(A) A minimum of 70 percent of the confiscated funds must be dispersed to the problem gambling account created in RCW 41.05.751; and

(B) The remainder of the confiscated funds, if any, must be distributed to a charitable or nonprofit organization that provides problem gambling services or increases awareness about problem gambling; and

(ii) Document and retain for one year:

(A) Surveillance evidence identifying the date, time, and amount of money or things of value forfeited, the name and identity verification of the participant on the self-exclusion list; and

(B) A copy of the canceled check remitting the forfeited funds as required above.

NEW SECTION

WAC 230-23-035 Sharing the self-exclusion list. We may enter into mutual sharing agreements with federally recognized Indian tribes or tribal enterprises that own gambling operations or facilities with class III gaming compacts who wish to voluntarily participate in the self-exclusion program.

NEW SECTION

WAC 230-23-040 Annual reporting. Commission staff must report within 12 months of the effective date of these rules and then annually thereafter on the efficacy of the self-exclusion program.

Stakeholder Feedback on May 3, 2021 Draft Language

From: [Cory Thompson](#)
To: [Laydon, Ashlie \(GMB\)](#)
Subject: Re: Draft Self-Exclusion Rules for Review
Date: Monday, May 3, 2021 12:22:25 PM
Attachments: [image003.png](#)
[image005.png](#)

External Email

Ashlie,

Thank you for putting this together. I believe there should be more onus put on the card rooms to insure the people that are self-excluded as a result of their gambling problem do not gain entry. I can see a situation where someone is allowed to play and then has their money/chips confiscated as they are playing, which, in essence, rewards the card room for allowing them to play. Currently, security does not do a very good job, in general, in keeping self-excluded people out due to apathy as well as the high turnover rate in the industry.

:o),

Cory Thompson
425-235-5655
cory@letitrideparties.com

Visit our website at www.letitrideparties.com

On Mon, May 3, 2021 at 11:38 AM Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov> wrote:

Hello,

The Gambling Commission, pursuant to [HB 1302](#) now codified in [RCW 9.46.071](#), seeks your review and input on draft rules establishing a statewide self-exclusion program. The goal of the Commission is to create a centralized, state-wide self-exclusion system that will allow individuals to voluntarily self-exclude themselves from gambling at licensed house-banked card rooms in a single request. We are also trying to develop a system where Tribal operators can connect into our system once it is established for the cardroom industry.

Attached are draft rules establishing this system for your review. All comments, questions, and concerns are welcome. Please submit written feedback by May 14, 2021 at 5pm to myself via email at ashlie.laydon@wsgc.wa.gov or through our [website](#).

Please contact me 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

☎ (360) 486-3473 | ✉ ashlie.laydon@wsgc.wa.gov



Washington State
GAMBLING
COMMISSION

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



From: doug@billsplacetav.com
To: [Laydon, Ashlie \(GMB\)](#)
Subject: RE: Draft Self-Exclusion Rules for Review
Date: Monday, May 3, 2021 2:04:26 PM
Attachments: [image003.png](#)
[image005.png](#)

External Email

Bill's Place in Yakima WA, even though we have a card room license, doesn't have any actual card games being played.

Therefore, its hard to comment on these rule changes as we have no idea what the impact to the licensee will actually be.

Thank you,

Douglas H Granstrand
Bill's Place
310 W Walnut St Apt A
Yakima WA 98902
(509) 901-6191

From: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>
Sent: Monday, May 3, 2021 11:38 AM
Cc: Considine, Brian (GMB) <brian.considine@wsgc.wa.gov>; Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>; Rancour, Michelle (GMB) <michelle.rancour@wsgc.wa.gov>; Chinn, John (GMB) <john.chinn@wsgc.wa.gov>
Subject: Draft Self-Exclusion Rules for Review

Hello,

The Gambling Commission, pursuant to [HB 1302](#) now codified in [RCW 9.46.071](#), seeks your review and input on draft rules establishing a statewide self-exclusion program. The goal of the Commission is to create a centralized, state-wide self-exclusion system that will allow individuals to voluntarily self-exclude themselves from gambling at licensed house-banked card rooms in a single request. We are also trying to develop a system where Tribal operators can connect into our system once it is established for the cardroom industry.

Attached are draft rules establishing this system for your review. All comments, questions, and concerns are welcome. Please submit written feedback by May 14, 2021 at 5pm to myself via email at ashlie.laydon@wsgc.wa.gov or through our [website](#).

Please contact me 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

☎ (360) 486-3473 | ✉ ashlie.laydon@wsgc.wa.gov



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



Laydon, Ashlie (GMB)

From: Philander, Kahlil <kahlil.philander@wsu.edu>
Sent: Monday, May 10, 2021 7:26 PM
To: Laydon, Ashlie (GMB)
Cc: Considine, Brian (GMB); Ty W Lostutter
Subject: Re: Self-exclusion Proposed Draft Rules
Attachments: KP markup - 04282021 Self Exclusion Rules Stakeholder Review.docx

External Email

hi Ashlie,

here are my mark up notes on the document

no major issues here, just a couple of things to consider

i'm curious whether Ty has a strong opinion on WAC 230-19-XXX Licensee's Responsibilities item (7)

happy to discuss anything by phone if that's helpful: 702-722-7342

kahlil

From: Considine, Brian (GMB) <brian.considine@wsgc.wa.gov>
Sent: May 3, 2021 11:45 AM
To: Philander, Kahlil; tylost@uw.edu
Cc: Laydon, Ashlie (GMB)
Subject: Self-exclusion Proposed Draft Rules

Hello Dr. Philander and Dr. Lostutter,

Attached are the Gambling Commission's proposed draft self-exclusion rules that we are sending out to stakeholders today. I'm sending them to you for your review and comment.

Additionally, WSGC wants to ensure the greater behavioral health community has an opportunity to review and comment on these rules. We are sending them to Roxane for distribution to the Problem Gambling Task Force, and to ECPG. However, please let me know if you recommend we send it to additional groups or people.

All comments, questions, concerns are welcome and please submit written feedback to Ashlie Laydon, WSGC's Rules Coordinator, by May 14, 2021 at 5pm. Comments can be sent directly to her at ashlie.laydon@wsgc.wa.gov<mailto:ashlie.laydon@wsgc.wa.gov> or through our website<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Furldefense.com%2Fv3%2F__https%3A%2F%2Fgcc02.safelinks.protection.outlook.com%2F%3Furl%3Dhttps%3A%2F%2Fwsgc.wa.gov%2Fnews%2Frequest-public-comment%26data%3D04*7C01*7Cbrian.considine*40wsgc.wa.gov*7C5b0509fa902f4a91c66408d90b6de74b*7C11d0e217264e400a8ba057dcc127d72d*7C0*7C0*7C637553388953057100*7CUnknown*7CTWFpbGZsb3d8eyJWljiMC4wLjA wMDAiLCJQljoiv2luMzliLCJBTil6lk1haWwiLCJXVCi6Mn0*3D*7C1000%26sdata%3DiM1pD4TLIIW2waDTkWP6xE3XKcbess i87JIDIRhzYhc*3D%26reserved%3D0__%3BJSUIJSUIJSUIJSUIJSUIJSUI!!JmPEgBY0HMsZNaDT!67m8N046MNSLyPQVpITZer LAZ0y8Xc4hFaDnHfm0AKqSuPxjqFv-O8xpWtlq1Yfv2LjQg%24&data=04%7C01%7CASHlie.laydon%40wsgc.wa.gov%7C62be6773533a4bd9479608d91424

1b69%7C11d0e217264e400a8ba057dcc127d72d%7C0%7C0%7C637562967610956844%7CUnknown%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTil6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=PgkSjF1jRErsYnuLFvgzEwXQCAI1USku4m70CaVtPyw%3D&reserved=0>.

Thank you for your time and consideration,

Brian

Brian J. Considine
Legal and Legislative Manager
Washington State Gambling Commission
(360) 486-3469 (office)
(360) 485-8921 (mobile)
Brian.considine@wsgc.wa.gov<mailto:Brian.considine@wsgc.wa.gov>

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icon]<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Furldefense.com%2Fv3%2F__https%3A%2F%2Fwww.facebook.com%2FWAGamblingCommission%2F__%3B!!JmPEgBY0HMsZNaDT!67m8N046MNSLyPQVpITZerLAZ0y8Xc4hFaDnHfm0AKqSuPxjqFv-08xpWtIql1baM29qLw%24&data=04%7C01%7Cashlie.laydon%40wsgc.wa.gov%7C62be6773533a4bd9479608d914241b69%7C11d0e217264e400a8ba057dcc127d72d%7C0%7C0%7C637562967610966806%7CUnknown%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTil6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=Y0PJoXD8yHwPqEL3Cz%2F68rTNkt0r4hZfQ6Czc%2BRlcvY%3D&reserved=0> [twitter icon]
<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Furldefense.com%2Fv3%2F__https%3A%2F%2Ftwitter.com%2FWAGambling__%3B!!JmPEgBY0HMsZNaDT!67m8N046MNSLyPQVpITZerLAZ0y8Xc4hFaDnHfm0AKqSuPxjqFv-08xpWtIql1b2P8vzPQ%24&data=04%7C01%7Cashlie.laydon%40wsgc.wa.gov%7C62be6773533a4bd9479608d914241b69%7C11d0e217264e400a8ba057dcc127d72d%7C0%7C0%7C637562967610966806%7CUnknown%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTil6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=SZgiZ2fWQEy9hvb4bUCv8Z0yr0jpDUwbNGdFv9Rv4Y%3D&reserved=0> [instagram_2016_icon_email]
<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Furldefense.com%2Fv3%2F__https%3A%2F%2Fwww.instagram.com%2Fwagambling%2F__%3B!!JmPEgBY0HMsZNaDT!67m8N046MNSLyPQVpITZerLAZ0y8Xc4hFaDnHfm0AKqSuPxjqFv-08xpWtIql1YxUwex_Q%24&data=04%7C01%7Cashlie.laydon%40wsgc.wa.gov%7C62be6773533a4bd9479608d914241b69%7C11d0e217264e400a8ba057dcc127d72d%7C0%7C0%7C637562967610966806%7CUnknown%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTil6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=VZ60B4vnGoOU2ifXnTxDplj1WYcOHFAyrSjNXblwGbk%3D&reserved=0> [In-2C-21px-R]
<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Furldefense.com%2Fv3%2F__https%3A%2F%2Fwww.linkedin.com%2Fcompany-beta%2F16262525%2F__%3B!!JmPEgBY0HMsZNaDT!67m8N046MNSLyPQVpITZerLAZ0y8Xc4hFaDnHfm0AKqSuPxjqFv-08xpWtIql1ZQeO0Nngx%24&data=04%7C01%7Cashlie.laydon%40wsgc.wa.gov%7C62be6773533a4bd9479608d914241b69%7C11d0e217264e400a8ba057dcc127d72d%7C0%7C0%7C637562967610966806%7CUnknown%7CTWFpbGZsb3d8eyJWljojMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTil6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=CBtIIAoLvPjAGI8htknUwm0AJQrFFS4JdroECA0GiDc%3D&reserved=0>

SELF-EXCLUSION RULES

WAC 230-19-XXX Purpose

The purpose of this chapter is to establish a centralized, statewide self-exclusion program, administered by the Commission, allowing a person with a gambling problem or gambling disorder to voluntarily exclude themselves from licensed house-banked card rooms and participating tribal gaming facilities.

WAC 230-19-XXX Definitions

The following definitions apply only to this chapter:

- (1) "Licensee" means the house-banked card room licensee.
- (2) "Participant" means a person who has enrolled in the program.
- (3) "Self-Exclusion List" means a list maintained by the Commission of individuals who have requested to be voluntarily excluded from house-banked card room licensees and participating tribal gaming facilities in the State of Washington.
- (4) "Voluntary self-exclusion program" or "program" means the voluntary self-exclusion program authorized under RCW 9.46.071, and does not apply to gambling via horse-racing or lottery.

WAC 230-19-XXX REQUEST FOR SELF-EXCLUSION

(1) Any person may request to be placed on the self-exclusion list voluntarily excluding themselves from house-banked card room licensees by submitting a completed form, which we provide, in person at our office or at a house-banked card room licensee or by mail:

(a) In person at our office or at a house-banked card room licensee by:

- (i) Submitting a completed form, which we provide; and
- (ii) Providing proof of identity. Acceptable forms of identification are: a valid driver's license from any state; a government-issued identification card containing the person's name, photograph, and date of birth; or a valid passport; and
- (iii) Submitting a photograph showing only the head and shoulders; or

(b) Through the mail by:

- (i) Submitting a completed form, which we provide. The form must be notarized; and
- (ii) Providing proof of identity. Acceptable forms of identification are a copy of: a valid driver's license from any state; a government-issued identification card containing the person's name, photograph, and date of birth; or a valid passport; and
- (iii) Submitting a photograph showing only the head and shoulders. Copies of photographs from identification will not be accepted.

(2) The form must be:

- (a) Completed with no areas left blank, and
- (b) Signed under penalty of perjury by the person seeking self-exclusion, and
- (b) Be properly notarized if submitting by mail.

(3) Upon receipt of a completed form, the licensee will forward it to us within 72 hours.

WAC 230-19-XXX Period of Enrollment

SELF-EXCLUSION RULES

(1) At the time of enrollment, the participant must select the period of self-exclusion:

- (a) One year,
- (b) Five years, or
- (c) Ten years.

(2) The self-exclusion time period selected begins and the participant is considered enrolled:

- (a) Upon receipt of the notarized form by mail or
- (b) The date the completed form was accepted by a licensee or us when submitted in person.

(3) Once enrolled, the participant cannot be removed from the program prior to the selected period of voluntary self-exclusion.

(4) Upon expiration of the selected period of enrollment, the participant will be removed from the program.

WAC 230-19-XXX Voluntary self-exclusion

During the period of enrollment, the participant acknowledges and agrees:

(1) The ultimate responsibility to limit access to all house-banked card rooms within the State remains theirs alone; and

(2) The self-exclusion request is irrevocable during the enrollment period selected and cannot be altered or rescinded for any reason; and

(3) The exclusion is in effect at all house-banked card room licensees in the State of Washington and participating Indian Gaming Facilities, which is subject to change, and all services/amenities associated with these gaming facilities, including but not limited to, restaurants, bars, bowling, check cashing services, cash advances, etc.; and

(4) Player club memberships and accounts will be closed and any points or benefits accrued in the participant's existing loyalty program account, if any, expire based on the established expiry date(s) and no refund or replacement will be provided; and

(5) New player club memberships, direct mail and marketing service complimentary goods and services and other such privileges and benefits will be denied; and

(6) Disclosure of certain information is necessary to implement the participant's request for self-exclusion; and

(7) If found on the premises of a house-banked card room licensee, for any reason other than to carry out their duties of employment at the licensed establishment, they may be charged with criminal trespass; and

(8) All money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities outlined in this Chapter will be forfeited under RCW 9.46.071; and

(9) To not recover any losses from the purchase of chips and/or participating in authorized gambling activities outlined in this Chapter.

Commented [KP1]: I would suggest changing this to:
6- months
One-year
Five-years (if a renewal)

A study by McCormick et al. on the BC program found substantial improvements in wellness within 6-months. This therefore may be adequate to provide the necessary break from gaming, and may improve enrollment counts as it seems less daunting to enroll for 6-months over one-year.

Re: the five-year renewal option, this ensures that you don't run into issues in the future where individuals have overcommitted themselves to a multi-year ban and have unrecindable regret (this will occur anyway, but ensuring that people understand the program before they commit for multiple years is helpful).

With a multi-year horizon, its hard for individuals to anticipate things like moving to a different town where most of the social interaction is based around hospitality in a gaming facility.

Commented [KP2]: Here I would suggest having an "active re-enrollment" process. Effectively, after expiration, the individual remains excluded, but may complete a form to become eligible to return.

Commented [KP3]: This is a reasonable regulation, though I would suggest that the internal policies be to focus on re-education of the individual on program values, rather than elect to criminalize the self-enrolled act

Commented [KP4]: You may have already addressed this, but ensure that your disclosed rules (e.g. jackpot entitlement rules) note this separate treatment of individuals enrolled in the self-exclusion program. The was a successful action against BCLC (I think it was Hagh dust v bc lottery) because the game rules weren't updated to account for the different treatment of self-exclusion enrollees.

SELF-EXCLUSION RULES

WAC 230-19-XXX Disclosure of Self-Exclusion Information

(1) Personal information submitted by a participant under the self-exclusion program is exempt from public disclosure under the Public Records Act and may not be disseminated for any purpose other than the administration of the self-exclusion program, or as otherwise permitted by law.

Commented [KP5]: typo

(2) No house-banked card room licensee, employee or agent thereof shall disclose the name of, or any information about any participant who has requested self-exclusion to anyone other than employees and agents of the house-banked card room licensee whose duties and functions require access to such information.

(3) The house-banked card room licensee may release the names and identifying information of participants on the self-exclusion list to contracted service providers that provide check cashing, cash advances, marketing, automated teller machines or other financial services.

(a) The identifying information must be limited to the address, driver's license or state issued identification number, photograph, and physical description; and

(b) Only the name and identifying information may be disclosed to contracted service providers. The house-banked card room licensee must neither disclose the reasons for providing the name and identifying information nor disclose that the person is on the self-exclusion list; and

(c) The house-banked card room licensee must require by written contract that the contracted service provider implement measures designed to ensure the confidentiality of the names and identifying information and to prohibit the release of the names and identifying information to any other person or entity; and

(d) The house-banked card room licensee must immediately report to us all instances of a participant accessing or attempting to access the services provided by the contracted service providers.

WAC 230-19-XXX Licensee's Responsibilities

Each house-banked card room licensee must:

- (1) Make available to all patrons the self-exclusion form developed and provided by us; and
- (2) Accept complete self-exclusion forms, verify the participant's identity as required on the form, and forward the form to us within 72 hours of receipt; and
- (3) Provide the participant with information and resources for problem gambling and gambling disorder treatment; and
- (4) Designate a person or persons to be the contact person with us for purposes of self-exclusion procedures, including receipt and maintenance of the self-exclusion list, submission of the licensee's procedures, and all other communications between us and the licensee for self-exclusion purposes; and
- (5) Upon discovery that a participant has breached their self-exclusion and obtained access to the licensed premises, the licensee must take steps to:
 - (a) Immediately remove the person from the premises,
 - (b) Confiscate all money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities outlined in this Chapter, and
 - (c) Notify us of the breach within 72 hours; and
- (6) Train all new employees, within 3 days of hiring, and annually re-train all employees who directly interact with gaming patrons in gaming areas. The training must, at a minimum, consist of

SELF-EXCLUSION RULES

information concerning the nature of ~~problem gambling~~ gambling disorders, the procedures for requesting self-exclusion, and assisting patrons in obtaining information about ~~problem gambling~~ gambling disorder treatment programs. This section must not be construed to impose a duty upon employees of the licensee to identify ~~problem gamblers~~ individuals with gambling disorders or impose a liability for failure to do so; and

- (7) Notify participants who have requested to be excluded from house-banked card room licensees prior to the effective date of this rule of the new statewide program, provide them with the form, and information on how they can participate in the statewide self-exclusion program. This must be accomplished within three business days following the effective date of this rule; and
- (8) Establish procedures and systems for our review and approval, which:
 - (a) Utilize player tracking systems and other electronic means, including checking all taxable patron winnings against the self-exclusion list, to assist in determining whether a participant has engaged in any authorized activities outlined in the chapter; and
 - (b) Close player club memberships and accounts for participants. Any points or benefits accrued in the participant's existing loyalty program account, if any will expire based on the established expiry date(s) and no refund or replacement will be provided; and
 - (c) Deny casino credit, check cashing privileges, player club membership, complementary goods and services, and other similar privileges and benefits to any participant; and
 - (d) Ensure participants do not receive targeted mailings, telemarketing promotions, player club materials or other promotional materials relative to gaming activities at house-banked card room licensees; and
 - (e) Verify patrons who win a jackpot prize are not participants of the program before payment of funds; and
 - (f) Ensures participants are not gambling in their establishment; and
 - (g) Ensures the confidentiality of the identity and personal information of participants; and
 - (h) All money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities outlined in this Chapter are forfeited under RCW 9.46.071, in which the licensee will:
 - (1) Issue a check for the same monetary value within three business days after collecting or refusing to pay any winnings from gambling or chips in the possession of a participant on the self-exclusion list to:
 - (A) The problem gambling account created in RCW 42.05.751, and/or
 - (B) A charitable or nonprofit organization that provides problem gambling services or increases awareness about problem gambling; and
 - (2) Document and retain for one year:
 - (A) Surveillance evidence identifying the date, time, and amount of money or things of value forfeited, the name and identity verification of the participant on the self-exclusion list; and
 - (B) A copy of the canceled check remitting the forfeited funds as required above.

Commented [KP6]: "responsible gambling and gambling disorder"

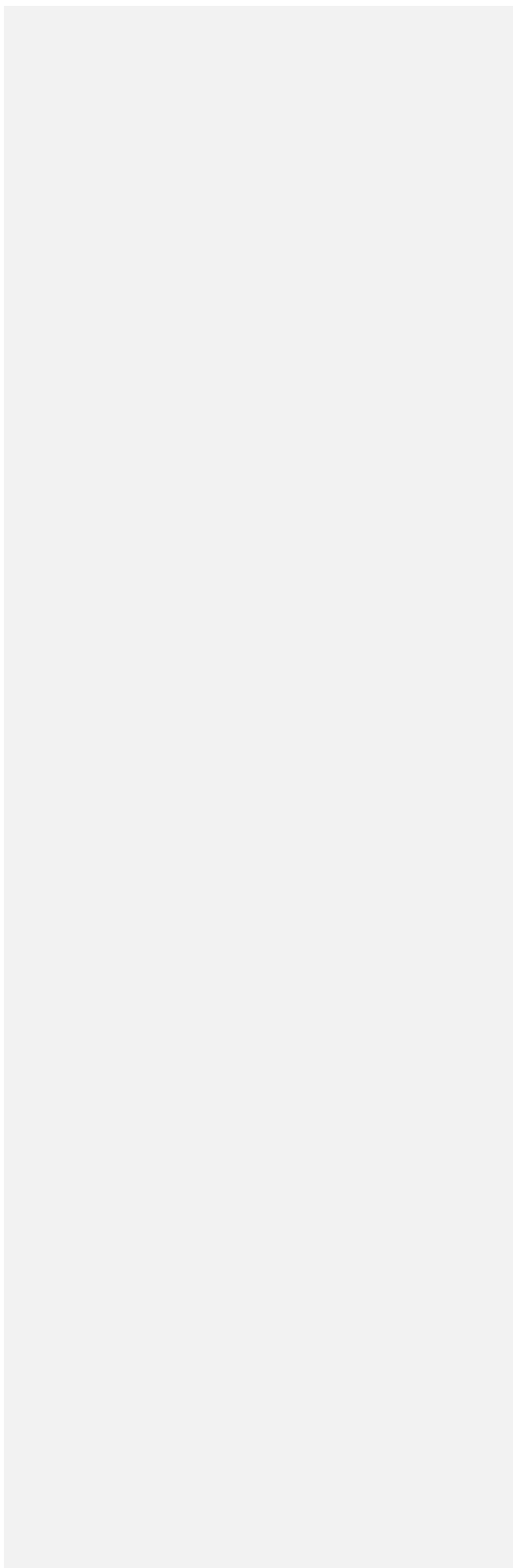
Commented [KP7]: "responsible gambling and gambling disorder"

SELF-EXCLUSION RULES

WAC 230-19-XXX Sharing the self-exclusion list.

We may enter into Tribal-State Compacts with federally recognized Indian tribes or tribal enterprises that own gambling operations or facilities with class III gaming compacts to voluntarily participate in the self-exclusion program. The Tribal-State Compacts may allow for the mutual sharing of self-exclusion lists.

DRAFT



From: [Kevin Crum](#)
To: [Laydon, Ashlie \(GMB\)](#)
Cc: [Considine, Brian \(GMB\)](#); [Griffin, Tina \(GMB\)](#); [Rancour, Michelle \(GMB\)](#); [Chinn, John \(GMB\)](#)
Subject: Re: Draft Self-Exclusion Rules for Review
Date: Monday, May 10, 2021 12:45:39 PM
Attachments: [image003.png](#)
[image005.png](#)

External Email

Hi Ashlie,

Thank you for the opportunity to review and comment on this rules package. Our Sonoma player rewards system currently is installed in 33+ licensed cardrooms in Washington and our system does have the ability to mark player's as self excluded which then prevents any play or rewards activity to be initiated from those accounts. Our system could tie in to the new statewide system by way of an External API that would allow our casino operator customers to ensure that they follow the new requirements while using the same system they have been.

Each player account in our system is tied their Driver's License or state issued ID number. If the state's system would allow us to query the state ID number on a periodic basis we could then seamlessly update the accounts on the Sonoma side when they have been entered into the self exclusion database. It would be easiest to do that at a system level rather than casino by casino, but we could make the system work either way.

What will be the process by which such an interface between our Sonoma system and the new statewide system can be made to work together? How can I get started on that?

Kevin Crum
ABS Business Data, LLC

On Mon, May 3, 2021 at 11:38 AM Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov> wrote:

Hello,

The Gambling Commission, pursuant to [HB 1302](#) now codified in [RCW 9.46.071](#), seeks your review and input on draft rules establishing a statewide self-exclusion program. The goal of the Commission is to create a centralized, state-wide self-exclusion system that will allow individuals to voluntarily self-exclude themselves from gambling at licensed house-banked card rooms in a single request. We are also trying to develop a system where Tribal operators can connect into our system once it is established for the cardroom industry.

Attached are draft rules establishing this system for your review. All comments, questions, and concerns are welcome. Please submit written feedback by May 14, 2021 at 5pm to myself via email at ashlie.laydon@wsgc.wa.gov or through our [website](#).

Please contact me 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

☎ (360) 486-3473 | ✉ ashlie.laydon@wsgc.wa.gov



Washington State
GAMBLING
COMMISSION

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



From: [Considine, Brian \(GMB\)](#)
To: [Laydon, Ashlie \(GMB\)](#)
Subject: FW: NOTICE: Gambling Commission Draft Self-Exclusion Rules for Review
Date: Wednesday, May 5, 2021 11:28:24 AM
Attachments: [image002.png](#)
[image007.png](#)
[Self Exclusion Rules Stakeholder Review.docx](#)
[image005.png](#)

FYI...

Brian J. Considine
Legal and Legislative Manager
Washington State Gambling Commission
(360) 486-3469 (office)
(360) 485-8921 (mobile)
Brian.considine@wsgc.wa.gov



From: Kevin Zenishek <kzenishek@northernquest.com>
Sent: Wednesday, May 5, 2021 11:09 AM
To: Considine, Brian (GMB) <brian.considine@wsgc.wa.gov>
Subject: FW: NOTICE: Gambling Commission Draft Self-Exclusion Rules for Review

External Email

Brian,

If you hadn't caught it already, there is a typo in the section below. KZ

WAC 230-19-XXX Disclosure of Self-Exclusion Information

- (1) Personal information submitted by a participant under the self-exclusion program is exempt from public disclosure under the Public Records Act and may not be disseminated for any purpose other than the , administration of the self-exclusion program, or as otherwise permitted by law.
- (2) No house-banked card room licensee, employee or agent thereof shall disclose the name of, or any information about any participant who has requested self-exclusion to anyone other than employees and agents of the house-banked card room licensee whose duties and functions require access to such information.
- (3) The house-banked card room licensee may release the names and identifying information of participants on the self-exclusion list to contracted service providers that provide check cashing, cash advances, marketing, automated teller machines or other financial services.
 - (a) The identifying information must be limited to the address, driver's license or state issued identification number, photograph, and physical description; and
 - (b) Only the name and identifying information may be disclosed to contracted service providers. The house-banked card room licensee must neither disclose the reasons for providing the name and identifying information nor disclose that the person is on the self-exclusion list; and
 - (c) The house-banked card room licensee must require by written contract that the contracted service provider implement measures designed to ensure the confidentiality of the names and identifying information and to prohibit the release of the names and identifying information to any other person or

entity; and

(d) The house-banked card room licensee must immediately report to us all instances of a participant **accessing** or attempting to access the services provided by the contracted service providers.

Kevin Zenishek

Executive Director of Casino Operations

Northern Quest Resort & Casino
509.242.7000 Office
509.954.5915 Cell

kzenishek@northernquest.com northernquest.com



From: Rancour, Michelle (GMB) <michelle.rancour@wsgc.wa.gov>

Sent: Tuesday, May 4, 2021 9:57 AM

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

Cc: Lies, Julie (GMB) <julie.lies@wsgc.wa.gov>; Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>;
Considine, Brian (GMB) <brian.considine@wsgc.wa.gov>

Subject: [EXTERNAL] NOTICE: Gambling Commission Draft Self-Exclusion Rules for Review

Hello,

The Gambling Commission, pursuant to [HB 1302](#) now codified in [RCW 9.46.071](#), seeks your review and input on draft rules establishing a statewide self-exclusion program. The goal of the Commission is to create a centralized, state-wide self-exclusion system that will allow individuals to voluntarily self-exclude themselves from gambling at licensed house-banked card rooms in a single request. We are also trying to develop a system where Tribal operators can connect into our system once it is established for the cardroom industry.

Attached are draft rules establishing this system for your review. All comments, questions, and concerns are welcome. Please submit written feedback by May 14, 2021 at 5pm to myself via email at ashlie.laydon@wsgc.wa.gov or through our [website](#).

Please contact me 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

☎ (360) 486-3473 | ✉ ashlie.laydon@wsgc.wa.gov



Washington State
GAMBLING
COMMISSION

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



Laydon, Ashlie (GMB)

From: laurie@playallstar.com
Sent: Friday, May 14, 2021 3:34 PM
To: Laydon, Ashlie (GMB)
Subject: Self-Exclusion Rules

External Email

Ashlie,

After reading the rules put forth by the Gambling Commission, I have a few comments and concerns.

- On the request for self-exclusion through the mail and having it "NOTARIZED" would not be something that a patron would most likely complete. All Star has received letter's in the mail from patrons that wish to be excluded from the casino for a period of time and usually have a phone number which we call and talk to them and discuss their length of exclusion and the rules we follow at our establishment. Them sending in a head and shoulders picture of themselves would probably not happen. These steps would deter patrons that need to exclude themselves from doing so with so many steps. This seems extreme for a "Voluntary" exclusion.

- Period of enrollment seems extreme with options of 1, 5 or 10 years. I agree that problem gambling is a serious problem. The process of keeping records for 10 years seems extreme. Patrons looks could be very different in 10 years. When their expiration of the period of enrollment is reached, will the participant receive any notification? Maybe a letter asking if they want to further their self exclusion with updated information.

- In businesses with other revenue sources and entertainment, patrons should have the choice to just exclude themselves from the casino not the entire business since this is "Voluntary."

Laurie Myers
All Star Lanes & Casino

From: [Considine, Brian \(GMB\)](#)
To: [Laydon, Ashlie \(GMB\)](#)
Subject: FW: State-wide Self-Exclusion
Date: Wednesday, July 14, 2021 2:32:17 PM
Attachments: [Voluntary Self Exclusion Best Practices.ECPG.July 2021.pdf](#)
[image003.png](#)
[image005.png](#)

Doesn't look like you were included...

Brian J. Considine
Legal and Legislative Manager
Washington State Gambling Commission
(360) 486-3469 (office)
(360) 485-8921 (mobile)
Brian.considine@wsgc.wa.gov



From: Maureen Greeley <Mlgreeley@evergreencpg.org>
Sent: Wednesday, July 14, 2021 12:31 PM
To: Chinn, John (GMB) <john.chinn@wsgc.wa.gov>; Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>; kahlil.philander@wsu.edu; tylost@uw.edu
Cc: Robbins, Rashida (GMB) <rashida.robbs@wsgc.wa.gov>; Maureen Greeley <Mlgreeley@evergreencpg.org>; Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>; Considine, Brian (GMB) <brian.considine@wsgc.wa.gov>; Patterson, Julia (GMB) <julia.patterson@wsgc.wa.gov>
Subject: RE: State-wide Self-Exclusion

External Email

Good afternoon!

John, thank you so much for including ECPG in this email. While we agree wholeheartedly that providing individuals with a state-wide system where they can choose to register for a voluntary self-exclusion program once and be successfully barred from multiple gaming locations across the state is fantastic (kudos to WSGC for moving forward on this important initiative), I would like to address the concerns you listed below. I am also attaching a copy of our Council's new briefing paper on ***Best Practices and Broad Perspectives for Voluntary Self-Exclusion Program Development***. I hope you will find it helpful as you continue the rules development process.

Because Voluntary Self-Exclusion programs are, first and foremost, tools for individuals who believe that they have a problem with gambling and can voluntarily bar themselves from entering one or more gambling venues to help prevent their gambling behaviors.

And, because Voluntary Self-Exclusion Programs are important tools that the Gaming Industry can offer their guests to enhance customer service and corporate responsibility, support harm-minimization, and assist self-excluding individuals to get the help they need to address their problems and achieve their goals. We believe the best way to accomplish this is to ensure that registration in voluntary self-exclusion programs in Washington State is available at multiple access points (casino/card room, TGA, Health Care services location; through WSGC, via Internet, and more). If that means that more than one list must be kept at different locations, while not optimal, it should be offered.

The key here is to make this tool as easily accessible as possible. And so, it is crucial that all processes and procedures (wherever and however the registration takes place) are consistent. All registration points must use the same forms; take the same type and size of picture; provide training for their staff who will be interacting with registrants; and ensure that accurate and meaningful information on treatment referrals and support services are discussed with the individual when they register.

For many people, Voluntary Self-Exclusion is their first step in seeking help (and it is a difficult step to make). It is far more than an enforcement/regulatory system – it is a harm-minimization and treatment support opportunity that must be offered to the full extent possible.

Therefore, ECPG would highly recommend that WSGC and stakeholders add to the rule-making discussions ways in which to make the State-wide Voluntary Self-Exclusion Program accessible to individuals at as many locations as possible, particularly within Washington State Casinos and Card Rooms.

Happy to discuss further and/or help support your efforts.

Warmly,

~Maureen

Maureen L. Greeley
Executive Director



360.352.6133

www.evergreencpg.org

24/7 Helpline: 800.547.6133

From: Chinn, John (GMB) <john.chinn@wsgc.wa.gov>

Sent: Tuesday, June 29, 2021 8:48 AM

To: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>; Maureen Greeley <Mlgreeley@evergreencpg.org>; kahlil.philander@wsu.edu; tylost@uw.edu

Cc: Robbins, Rashida (GMB) <rashida.robbins@wsgc.wa.gov>

Subject: State-wide Self-Exclusion

Greetings,

In working through the rules development process we are looking for feedback from the clinical and research communities on a specific area of concern.

The current state of self-exclusion in the House-Banked Card Rooms in Washington consists of individual lists that are not shared. Currently an individual enters into an agreement with a house-banked card room to self-exclude themselves from that place of business. This creates a less than ideal situation in assisting individuals in dealing with their gambling problem or gambling disorder. Once the state-wide system is operational licensees will be required to notify individuals on their self-exclusion lists of the state-wide system and provide a means of taking advantage the new system. Not all will respond so the licensees will be required to maintain both their individual lists as well as the state-wide list.

Our question, should the licensees be prohibited from adding individuals to their proprietary self-exclusion list instead of the state-wide system? From an operational perspective the simple answer is yes, but this doesn't take in to consideration the clinical perspective. We would like your feedback on the merits of requiring only using the state-wide system going forward and not adding new names to the individual site-specific lists.

I would appreciate your feedback by July 9, 2021. If you have any questions please contact me at john.chinn@wsgc.wa.gov

Thank you,

John Chinn
Project Manager
WSGC



EVERGREEN
council on problem gambling

BEST PRACTICES AND BROAD PERSPECTIVES FOR VOLUNTARY SELF-EXCLUSION PROGRAM DEVELOPMENT

The Evergreen Council on Problem Gambling (ECPG) is a 501(c)(3) nonprofit organization committed to providing services and programs for those with a gambling or gaming problem/Gambling Disorder, their families, employers, students, treatment professionals, and the greater community through gambling addiction treatment support, information and education, advocacy, research, and prevention efforts. Founded in 1991, ECPG maintains a position of neutrality on gambling and gaming, recognizing that most people who gamble do so for recreation and suffer no serious problems. However, for some, gambling becomes a serious addiction, devastating to the individual and family. ECPG is the Washington State Affiliate of the National Council on Problem Gambling.

ECPG MISSION

The Evergreen Council on Problem Gambling is dedicated to increasing awareness of public health issues around problem gambling and gaming, expanding the availability and integration of services, and supporting advocacy, research, and programs for education, prevention, treatment, recovery, and responsible gambling and gaming.

Supporting the Gaming Industry's efforts to provide information and tools to reduce harms by offering Voluntary Self-Exclusion Programs is an important part of ECPG's work. Our Council provides this brief overview of *Best Practices and Broad Perspectives* to assist Gaming Operators in developing Voluntary Self-Exclusion Programs that are designed to help and empower people in getting the help they need to address their gambling problems and achieve their health goals.

CONTENTS:

Introduction

Expectations and Purpose

Guest Interaction and Registration

Support Services and Resources

Self-Exclusion Period/Term Options

Self-Exclusion Extension and/or Active Reinstatement

Compliance and Breaches of Agreement

Promoting Awareness of Self-Exclusion Program

Breaking Down Barriers

References and Resources

Note: This is a brief overview only. Each content area has many components to consider and will, undoubtedly, bring up additional questions. Please do not hesitate to let our ECPG Staff know if there are other ways we can assist in discussions, planning, and program development.

INTRODUCTION

Self-exclusion is, first and foremost, a tool for individuals who believe that they have a problem with gambling and can voluntarily bar themselves from entering one or more gambling venues to help prevent their gambling behaviors. Most people report that they decided to self-exclude themselves, although family and friends may also play a role in the decision to self-exclude. Financial problems often constitute the main reason for self-exclusion and most people report that they are unable to stop gambling of their own accord. Severe financial hardship, stress caused by their gambling problems that affect their physical and mental health, desperation, and suicidal thoughts are all among the feelings shared by individuals as they contemplate signing up for Self-Exclusion Programs.

When people are considering self-exclusion, they are looking for help. Voluntary Self-Exclusion Programs are important tools that the Gaming Industry can offer their guests to enhance customer service and corporate responsibility, support harm-minimization, and assist self-excluding individuals to get the help they need to address their problems and achieve their goals. Self-Exclusion programs should help and empower people, not make them feel like criminals. Here is some of the information gleaned from research that may be helpful when considering development of Self-Exclusion Programs.

Despite evidence for effectiveness, only a small proportion of individuals with gambling-related problems or Gambling Disorder ever seek treatment and support resources for their problem. Voluntary self-exclusion (VSE) programs are an ideal circumstance to engage individuals who are reluctant or have not yet sought formal treatment, given that individuals are already electing to prevent themselves from gambling through self-exclusion. (Yakovenko, I., & Hodgins, D. (2021). Effectiveness of a voluntary casino self-exclusion online self-management program. *Internet Interventions* 23 (2021) 100354 Elsevier B.V.)

This self-directed intervention is often the first serious attempt a person makes to control their gambling (Blaszczynski et al. 2004).

Participants in self-exclusion programs state that the program had been very helpful in regaining control of their financial affairs and overcoming relationship problems. Furthermore, many participants found the process of enrolling into the program empowering and saw it as the start of their recovery. (Croucher et al. 2006)

Benefits include participants reporting decreases in gambling expenditure and improved financial circumstances; decreases in gambling frequency and time spent gambling; reduction in problem gambling severity and negative consequences of gambling; reduction in related psychological difficulties including depression and anxiety; and feeling they have more control of their circumstances. (Gainsbury 2014)

EXPECTATIONS AND PURPOSE

For Voluntary Self-Exclusion Programs to be effective, clear information about the self-exclusion program and wide promotion of the program are both important. Casino staff and Tribal Gaming Authority/Regulators should have an effective training program for all staff who have a role in enforcing the self-exclusion program, including refresher training.

“The features and principles of a self-exclusion program should be fully understood by individuals who wish to self-exclude, employees of gaming venues, gaming venue operations, and regulatory bodies. This is essential in order to clarify expectations regarding the role and limits of all parties including legal and governmental authorities and avoid unrealistic expectations and unfair criticisms.” (Gainsbury 2014)

Some of the areas that must be covered with the guest at the time of Self-Exclusion Registration (pursuant to the Gaming Venue’s Policies and Procedures):

- Agreement not to enter gaming areas, not to play gaming machines, or not to enter the venue at all
- Authorizing Casino/Regulatory staff to stop them from entering or remaining in a gaming area or venue from which they are excluded
- Accept their personal responsibility to stay away from the venue
- Clear roles and expectations, including how compliance breaches will be managed; and how Self-Exclusion Extensions or Reinstatements are handled
- Clear description of Self-Exclusion term options – let the individual choose, do NOT lead them into any particular option
- Clear information on player cards and loyalty points (does individual have more than one player card or is registered under more than one name?)
- Cessation of promotional materials
- Winnings forfeiture policies
- Share options for support resources (treatment and recovery resources; financial management counseling; community resources)

GUEST INTERACTION AND REGISTRATION

Registration in a Voluntary Self-Exclusion Program should not be cumbersome or stigmatizing to the guest. Staff training at multiple access points is key to ensuring consistency and a professional process.

- Make registration available at multiple access points (casino, TGA and/or Corporate offices; Health Care services location; casino hotel guest services...)
- Registration should take place in a comfortable, private, friendly setting that ensures confidentiality and respects the individual (don't make them feel like a criminal or engage in stigmatizing behaviors and verbal communications – encourage the guest in making healthy gaming choices that can include self-exclusion as an individual tool to support those choices.)
- Ensure all processes and procedures are consistent regardless of where registration takes place (use the same forms; take the same type and size of picture; same staff training...)
- Staff interacting with guests during the Self-Exclusion Registration should be specially selected and trained to provide a responsive, respectful, and professional process. Trained “Ambassadors/Supervisors” should conduct meeting, explanations, and registration.
 - Do not offer the guest an opportunity to engage in “one last bet” or to “finish spending their free-play money.”
 - Self-Exclusion Registration should be handled discreetly and in a timely fashion. It is best to offer the guest a seat in a comfortable, quiet, private area. If, for any reason, the guest is asked to wait for assistance with Self-Exclusion Registration, do not offer or ask the guest to wait at a gaming machine or gaming table, or within or near the gaming floor.

SUPPORT SERVICES AND RESOURCES

Ensure that information on resources and/or actual resources are available to assist players.

- Share options for support resources (treatment and recovery resources; financial management counseling; community resources)

People using self-exclusion programs noted the following items that should be stronger: Many gamblers felt that the programs did not provide them with sufficient resources on problem gambling treatment and support during the ban period; that the detection process was not strong enough; the program was not well advertised; and they should be able to renew a self-exclusion agreement without going back to the casino (Ladouceur et al. 2000).

All self-exclusion participants' names must be removed from marketing lists and participants should be made aware that any winnings during the self-exclusion period (indicating the individual has breached the self-exclusion agreement) will be forfeited and made available to a Tribal or nonprofit organization that supports prevention/awareness, treatment, and recovery support for those affected by problem gambling.

SELF-EXCLUSION PERIOD/TERM OPTIONS

(No Early Reinstatement Options)

Periods of self-exclusion in gaming venues across the world vary substantially. But most often options range from 6 months to irrevocable lifetime bans.

Almost all research indicates that it is best to offer a range of exclusion time periods. ECPG recommends a minimum of 1 year to allow individuals sufficient time to enter treatment if desired. Longer bans may be more effective, and ECPG recommends offering the Lifetime (irrevocable) **option** for those who might choose it. Offer one or two other interim options (2 years and/or 3 years) that are not Lifetime so that individuals have choices that do not deter them from registering for the self-exclusion program when only a Lifetime exclusion is offered. “In general, most participants felt that longer bans were better because they felt that most gamblers with problems do not realize how serious their problems are at the time of self-exclusion. Most participants recommended a minimum ban length of one year because they felt that shorter bans were easy to wait-out and did not provide enough time for people who had self-excluded to stabilize and develop healthier behaviours.” (Responsible Gambling Council, 2008)

ECPG RECOMMENDED SELF-EXCLUSION TERMS:

1 year

2 year

3 year

Lifetime (irrevocable)

SELF-EXCLUSION EXTENSION AND/OR ACTIVE REINSTATEMENT

A reinstatement process should be put in place before the self-excluded individual is permitted re-entry into casino/gaming facilities. Prior to the end of the self-exclusion term, individuals should be contacted with appropriate information and clear details regarding reinstatement requirements. Individuals should be able to extend the Self-Exclusion period.

ECPG recommends an Active Reinstatement Process, whereby the individual must apply to be reinstated (preferably in writing). This allows, yet again, an opportunity to provide the individual with support and information regarding treatment and support resources, rather than a Passive Reinstatement where the individual can automatically re-enter the casino after the end of the exclusion period. If the individual does not initiate reinstatement prior to the initial term end, then the ban, as well as any consequences for breaches, would continue in force. (NOTE: This needs to be clearly stated on Self-Exclusion forms and materials and explained carefully to the individual – suggest signing/initially next to this provision).

Even if reinstatement is granted, suggest a 30-day waiting period after approval and resend a package with information on problem and responsible gambling, treatment and recovery resources, and financial management counseling options.

Determine how many times you want to offer an extension before the ban should be permanent. Suggestion: Initial Self-Exclusion; Second (Extension); with Third Request – consider initiating Lifetime Self-Exclusion as permanent/irrevocable ban.

COMPLIANCE AND BREACHES OF AGREEMENT; CONSEQUENCES

(Enforcement and Support)

Be clear upfront on what the consequences are and make sure you use any breach as another opportunity to share treatment and support resources with respect and confidentiality. Potential consequences might include:

- Verbal warning and/or warning letter – in discreet and respectful meeting with a trained Ambassador/Supervisor
- Escorted off premises
- Trespass charge
- Fines (not recommended by ECPG)
- Forfeiture of any winnings while Self-Excluded (winnings to go to Tribal or nonprofit program for problem gambling prevention/awareness, treatment, and recovery supports.)

PROMOTING AWARENESS OF SELF-EXCLUSION PROGRAM

Most gaming venues have great opportunities to advertise self-exclusion programs on their websites and through print materials and displays throughout the casino, including in “discreet locations” such as restrooms; on ATM machines; potential for information kiosk/Responsible Gaming Center within casino.

Promotion of the self-exclusion program as well as support services and resources should be available at the casino as well as information provided in the general community and through health and mental health centers and other relevant support services. Relevant professionals (treatment professionals, financial counselors, court systems) should all be informed about the program so that they may refer clients as appropriate.

A major aspect of promoting self-exclusion programs is educating casino/gaming staff, Tribal Gaming Authority and other regulatory staff at every level on the program. Anyone interacting with a guest should be aware of the program and how to access it in a timely manner. Create a *Culture of Responsible Gaming* throughout your venue and at all levels – from the top down.

BREAKING DOWN BARRIERS

Individuals who have experienced the self-exclusion process report mixed feelings in a wide variety of studies and reports. When the staff is supportive and compassionate, the guest felt comfortable. Often, however, reports that staff were rude, uncaring, and disrespectful, or staff and situations (isolated dark rooms behind the security office; noisy areas that didn't offer privacy) that made the guest feel "like a criminal" were barriers.

It is important to remove any unnecessary complexities in the application and registration process, including for those who have limited proficiencies in English, and unnecessary legal jargon....Individuals should have the ability to enact agreements away from gaming venues, such as at a central administrative office, with a health or mental health treatment provider or legal professional, or via the Internet or mail. (Gainsbury 2014)

During the process of enrollment, privacy and confidentiality were an important concern. Venue staffs' attitude was also frequently criticized: staff members were perceived as not sufficiently briefed on the process and did not provide reasonable sensitivity, encouragement, or support. (Hing, Nuske, et al, 2015; Hing et al, 2014).

RESOURCES AND REFERENCES

Croucher, J.S., Croucher, R.F., & Leslie, J.R. (2006) *Report of the Pilot Study on the Self-Exclusion Program conducted by GameChange (NSW)*.

Gainsbury, S.M. (2014) *Review of self-exclusion from gambling venues as an intervention for problem gambling. **Journal of Gambling Studies**, 30(2), 229-251.*

Hing, N., Nuske, E., Tolchard, B, & Russell, A (2015). *What influences the types of help that problem gamblers choose? A preliminary grounded theory model. **International Journal of Mental Health Addiction**, 13(2), 241-256.*

Hing, N. Tolchard, B., Nuske, E., Holdsworth, L. & Tiyce, M. (2014). *A process evaluation of a self-exclusion program: A qualitative investigation from the perspective of excluders and non-excluders. **International Journal of Mental Health and Addiction**, 12(4), 509-523.*

Ladouceur, R., Jacques, C., Giroux, I., Ferland, F., & Leblond, J. (2000) *Analysis of a casino's self-exclusion program. **Journal of Gambling Studies** 16, 453-460*

Responsible Gambling Council (2008) *From Enforcement to Assistance: Evolving Best Practices in Self-Exclusion*

Yakovenko, I., & Hodgins, D. (2021) *Effectiveness of a voluntary casino self-exclusion online self-management program. **Internet Interventions** 23 (2021) 100354 Elsevier B.V.*

Rules Coordinator (GMB)

From: dan.heisel@watech.wa.gov on behalf of WSGC Web <no.reply@wsgc.wa.gov>
Sent: Thursday, April 29, 2021 3:07 PM
To: Rules Coordinator (GMB)
Subject: Request for Public Comment Submission from wsgc.wa.gov

External Email

Submitted on Thursday, April 29, 2021 - 3:04pm Submitted by anonymous user: 131.191.55.234 Submitted values are:

Select a Topic: Staff-Initiated Rule Change: Self-exclusion

Name: Nanci Watson

Organization: Private party

Comments: I believe that a financial penalty should be imposed upon cases where individuals are admitted, allowed to gamble on slot machines, and paid out. Screening is inadequate at the Emerald Queen Casino which I am most familiar with and word has it that they cancelled all bans after covid reopening while awaiting statewide guidelines. This does not protect the community.

The results of this submission may be viewed at:

<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwsgc.wa.gov%2Fnode%2F19%2Fsubmission%2F2378&data=04%7C01%7Crules.coordinator%40wsgc.wa.gov%7C3a2fb08fedcc496081dc08d90b5b1f00%7C11d0e217264e400a8ba057dcc127d72d%7C0%7C0%7C637553308321647691%7CUnknown%7CTWFPbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6IkhWwiLCJXVCi6Mn0%3D%7C1000&sdata=7gl3L6l6lu0WN3BDcTkW1eGLpkln82t3REn7L5inrq8%3D&reserved=0>

From: [Waldron, Roxane \(HCA\)](#)
To: [Considine, Brian \(GMB\)](#)
Cc: [Laydon, Ashlie \(GMB\)](#); [Chinn, John \(GMB\)](#); [Panek, Kara M. \(HCA\)](#)
Subject: RE: Self-exclusion Proposed Draft Rules
Date: Monday, May 3, 2021 12:19:08 PM
Attachments: [image005.png](#)
[image006.png](#)
[image007.png](#)
[image008.png](#)
[image009.png](#)
[image011.png](#)
[image013.png](#)
[image001.png](#)

Thanks, I will circulate to the PGTF today.

Brian and John, I'm really surprised that this language still says that forfeited funds can be sent to ***either*** the state pg fund and/or a 'non-profit charitable org,' despite the fact that non-Tribal venues are required to pay the business and occupation tax into the problem gambling account.

Here's my suggested language, which I will also forward to Ashlie:

(h) → All money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities outlined in this Chapter are forfeited under RCW 9.46.071, in which the licensee will:

(1) → Issue a check for the same monetary value within three business days after collecting or refusing to pay any winnings from gambling or chips in the possession of a participant on the self-exclusion list as follows:

- (A) → For licensees subject to the state business and occupation tax for problem gambling, forfeited funds must be transferred to the problem gambling account created in RCW 41.05.751-42.05.751, and/or
- (B) → For Tribal venues, forfeited funds can be used for that Tribe's problem gambling program, and/or donated to a charitable or nonprofit organization that provides problem gambling services or increases awareness about problem gambling, and/or; and the state problem gambling account created by RCW 41.05.751; and



Waldron, Roxane (HCA)

I'd like to see this changed to be that all forfeited funds from a non-Tribal venue go to the problem gambling account.

I'm also going to check with California about their language that forfeited funds go into their state pg program account.

Thanks for your continued support for the State Problem Gambling Program.

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*
Pronouns: She/Her/Hers
roxane.waldron@hca.wa.gov



From: Considine, Brian (GMB) <brian.considine@wsgc.wa.gov>
Sent: Monday, May 3, 2021 11:44 AM
To: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Cc: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>; Chinn, John (GMB) <john.chinn@wsgc.wa.gov>
Subject: Self-exclusion Proposed Draft Rules

Hello Roxane,

Attached are the Gambling Commission's proposed draft self-exclusion rules that we are sending out to stakeholders today. I'm sending them to you for HCA's review and comment.

Also, I'm hoping you'll send them to the PGTF, if that is appropriate. I think that's what was done with Lottery's proposed rules; however, I can send it out to the PGTF if you prefer that route.

Additionally, WSGC wants to ensure the greater behavioral health community has an opportunity to review and comment on these rules. We are sending them to ECPG and the researchers who worked on the problem gambling study. However, please let me know if you recommend we send it to additional groups or people.

All comments, questions, concerns are welcome and please submit written feedback to Ashlie Laydon, WSGC's Rules Coordinator, by May 14, 2021 at 5pm. Comments can be sent directly to her at ashlie.laydon@wsgc.wa.gov or through our [website](#).

Please let me know if you have any questions.

Thank you,

Brian

Brian J. Considine
Legal and Legislative Manager
Washington State Gambling Commission
(360) 486-3469 (office)
(360) 485-8921 (mobile)
Brian.considine@wsgc.wa.gov



From: [Waldron, Roxane \(HCA\)](#)
To: [Laydon, Ashlie \(GMB\)](#)
Cc: [Considine, Brian \(GMB\)](#); [Chinn, John \(GMB\)](#)
Subject: Comments on Self-Exclusion Rules -- Stakeholder review
Date: Monday, May 3, 2021 12:30:28 PM
Attachments: [04282021 Self Exclusion Rules Stakeholder Review_R Waldron.docx](#)
[image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)

Hi Ashlie,

Here are my few comments on the rules—as you saw in my last email, my major concern is with the language for the forfeiture of self-exclusion funds.

Thanks,

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*
Pronouns: She/Her/Hers
roxane.waldron@hca.wa.gov

Washington State
Health Care Authority

www.hca.wa.gov



SELF-EXCLUSION RULES

WAC 230-19-XXX Purpose

The purpose of this chapter is to establish a centralized, statewide self-exclusion program, administered by the Commission, allowing a person with a gambling problem or gambling disorder to voluntarily exclude themselves from licensed house-banked card rooms and participating tribal gaming facilities.

WAC 230-19-XXX Definitions

The following definitions apply only to this chapter:

- (1) "Licensee" means the house-banked card room licensee.
- (2) "Participant" means a person who has enrolled in the program.
- (3) "Self-Exclusion List" means a list maintained by the Commission of individuals who have requested to be voluntarily excluded from house-banked card room licensees and participating tribal gaming facilities in the State of Washington.
- (4) "Voluntary self-exclusion program" or "program" means the voluntary self-exclusion program authorized under RCW 9.46.071, and does not apply to gambling via horse-racing or lottery.

WAC 230-19-XXX REQUEST FOR SELF-EXCLUSION

(1) Any person may request to be placed on the self-exclusion list voluntarily excluding themselves from house-banked card room licensees by submitting a completed form, which we provide, in person at our office or at a house-banked card room licensee or by mail:

(a) In person at our office or at a house-banked card room licensee by:

- (i) Submitting a completed form, which we provide; and
- (ii) Providing proof of identity. Acceptable forms of identification are: a valid driver's license from any state; a government-issued identification card containing the person's name, photograph, and date of birth; or a valid passport; and
- (iii) Submitting a photograph showing only the head and shoulders; or

(b) Through the mail by:

- (i) Submitting a completed form, which we provide. The form must be notarized; and
- (ii) Providing proof of identity. Acceptable forms of identification are a copy of: a valid driver's license from any state; a government-issued identification card containing the person's name, photograph, and date of birth; or a valid passport; and
- (iii) Submitting a photograph showing only the head and shoulders. Copies of photographs from identification will not be accepted.

(2) The form must be:

- (a) Completed with no areas left blank, and
- (b) Signed under penalty of perjury by the person seeking self-exclusion, and
- (b) Be properly notarized if submitting by mail.

(3) Upon receipt of a completed form, the licensee will forward it to us within 72 hours.

WAC 230-19-XXX Period of Enrollment

SELF-EXCLUSION RULES

- (1) At the time of enrollment, the participant must select the period of self-exclusion:
 - (a) One year,
 - (b) Five years, or
 - (c) Ten years.
- (2) The self-exclusion time period selected begins and the participant is considered enrolled:
 - (a) Upon receipt of the notarized form by mail or
 - (b) The date the completed form was accepted by a licensee or us when submitted in person.
- (3) Once enrolled, the participant cannot be removed from the program prior to the selected period of voluntary self-exclusion.
- (4) Upon expiration of the selected period of enrollment, the participant will be removed from the program.

WAC 230-19-XXX Voluntary self-exclusion

During the period of enrollment, the participant acknowledges and agrees:

- (1) The ultimate responsibility to limit access to all house-banked card rooms within the State remains theirs alone; and
- (2) The self-exclusion request is irrevocable during the enrollment period selected and cannot be altered or rescinded for any reason; and
- (3) The exclusion is in effect at all house-banked card room licensees in the State of Washington and participating Indian Gaming Facilities, which is subject to change, and all services/amenities associated with these gaming facilities, including but not limited to, restaurants, bars, bowling, check cashing services, cash advances, etc.; and
- (4) Player club memberships and accounts will be closed and any points or benefits accrued in the participant's existing loyalty program account, if any, expire based on the established expiry date(s) and no refund or replacement will be provided; and
- (5) New player club memberships, direct mail and marketing service complimentary goods and services and other such privileges and benefits will be denied; and
- (6) Disclosure of certain information is necessary to implement the participant's request for self-exclusion; and
- (7) If found on the premises of a house-banked card room licensee, for any reason other than to carry out their duties of employment at the licensed establishment, they may be charged with criminal trespass; and
- (8) All money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities outlined in this Chapter will be forfeited under RCW 9.46.071; and
- (9) To not recover any losses from the purchase of chips and/or participating in authorized gambling activities outlined in this Chapter.

Commented [WR(1)]: Is this the participant (individual who is signing up) or the participating venue?

SELF-EXCLUSION RULES

WAC 230-19-XXX Disclosure of Self-Exclusion Information

- (1) Personal information submitted by a participant under the self-exclusion program is exempt from public disclosure under the Public Records Act and may not be disseminated for any purpose other than the , administration of the self-exclusion program, or as otherwise permitted by law.
- (2) No house-banked card room licensee, employee or agent thereof shall disclose the name of, or any information about any participant who has requested self-exclusion to anyone other than employees and agents of the house-banked card room licensee whose duties and functions require access to such information.
- (3) The house-banked card room licensee may release the names and identifying information of participants on the self-exclusion list to contracted service providers that provide check cashing, cash advances, marketing, automated teller machines or other financial services.
 - (a) The identifying information must be limited to the address, driver's license or state issued identification number, photograph, and physical description; and
 - (b) Only the name and identifying information may be disclosed to contracted service providers. The house-banked card room licensee must neither disclose the reasons for providing the name and identifying information nor disclose that the person is on the self-exclusion list; and
 - (c) The house-banked card room licensee must require by written contract that the contracted service provider implement measures designed to ensure the confidentiality of the names and identifying information and to prohibit the release of the names and identifying information to any other person or entity; and
 - (d) The house-banked card room licensee must immediately report to us all instances of a participant accessing or attempting to access the services provided by the contracted service providers.

WAC 230-19-XXX Licensee's Responsibilities

Each house-banked card room licensee must:

- (1) Make available to all patrons the self-exclusion form developed and provided by us; and
- (2) Accept complete self-exclusion forms, verify the participant's identity as required on the form, and forward the form to us within 72 hours of receipt; and
- (3) Provide the participant with information and resources for problem gambling and gambling disorder treatment; and
- (4) Designate a person or persons to be the contact person with us for purposes of self-exclusion procedures, including receipt and maintenance of the self-exclusion list, submission of the licensee's procedures, and all other communications between us and the licensee for self-exclusion purposes; and
- (5) Upon discovery that a participant has breached their self-exclusion and obtained access to the licensed premises, the licensee must take steps to:
 - (a) Immediately remove the person from the premises,
 - (b) Confiscate all money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities outlined in this Chapter, and
 - (c) Notify us of the breach within 72 hours; and
- (6) Train all new employees, within 3 days of hiring, and annually re-train all employees who directly interact with gaming patrons in gaming areas. The training must, at a minimum, consist of

SELF-EXCLUSION RULES

information concerning the nature of problem gambling, the procedures for requesting self-exclusion, and assisting patrons in obtaining information about problem gambling programs. This section must not be construed to impose a duty upon employees of the licensee to identify problem gamblers or impose a liability for failure to do so; and

- (7) Notify participants who have requested to be excluded from house-banked card room licensees prior to the effective date of this rule of the new statewide program, provide them with the form, and information on how they can participate in the statewide self-exclusion program. This must be accomplished within three business day following the effective date of this rule; and
- (8) Establish procedures and systems for our review and approval, which:
 - (a) Utilize player tracking systems and other electronic means, including checking all taxable patron winnings against the self-exclusion list, to assist in determining whether a participant has engaged in any authorized activities outlined in the chapter; and
 - (b) Close player club memberships and accounts for participants. Any points or benefits accrued in the participant's existing loyalty program account, if any will expire based on the established expiry date(s) and no refund or replacement will be provided; and
 - (c) Deny casino credit, check cashing privileges, player club membership, complementary goods and services, and other similar privileges and benefits to any participant; and
 - (d) Ensure participants do not receive targeted mailings, telemarketing promotions, player club materials or other promotional materials relative to gaming activities at house-banked card room licensees; and
 - (e) Verify patrons who win a jackpot prize are not participants of the program before payment of funds; and
 - (f) Ensures participants are not gambling in their establishment; and
 - (g) Ensures the confidentiality of the identity and personal information of participants; and
 - (h) All money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities outlined in this Chapter are forfeited under RCW 9.46.071, in which the licensee will:
 - (1) Issue a check for the same monetary value within three business days after collecting or refusing to pay any winnings from gambling or chips in the possession of a participant on the self-exclusion list to:
 - (A) The problem gambling account created in ~~RCW-42.05.751~~ RCW 41.05.751, and/or, is a Tribal casino.
 - (B) A charitable or nonprofit organization that provides problem gambling services or increases awareness about problem gambling; and
 - (2) Document and retain for one year:
 - (A) Surveillance evidence identifying the date, time, and amount of money or things of value forfeited, the name and identity verification of the participant on the self-exclusion list; and
 - (B) A copy of the canceled check remitting the forfeited funds as required above.

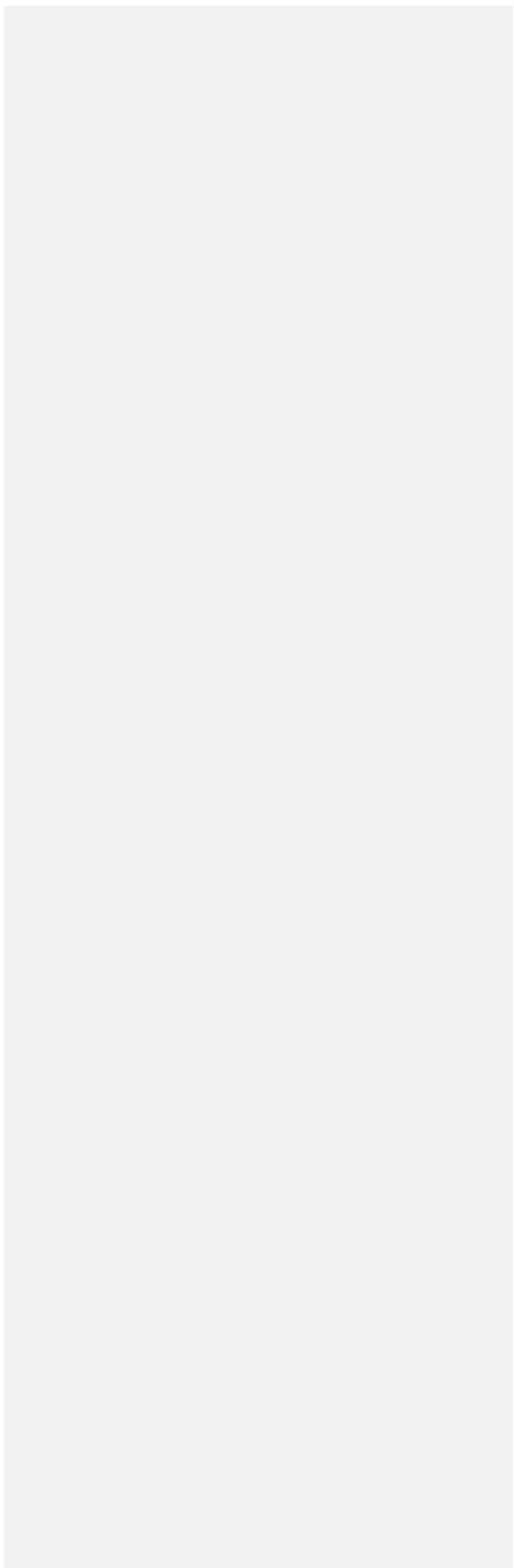
Commented [WR(2): I'd like to see this changed to be that all forfeited funds from a non-Tribal venue go to the problem gambling account

SELF-EXCLUSION RULES

WAC 230-19-XXX Sharing the self-exclusion list.

We may enter into Tribal-State Compacts with federally recognized Indian tribes or tribal enterprises that own gambling operations or facilities with class III gaming compacts to voluntarily participate in the self-exclusion program. The Tribal-State Compacts may allow for the mutual sharing of self-exclusion lists.

DRAFT



From: [Keith, Ryan \(HCA\)](#)
To: [Laydon, Ashlie \(GMB\)](#)
Subject: RE: [DO NOT ENCRYPT] Voluntary self-exclusion program -- proposed draft rules
Date: Friday, May 7, 2021 2:09:12 PM
Attachments: [04282021 Self Exclusion Rules Stakeholder Review.docx](#)
[image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.png](#)

Hi Ashlie,

Roxane has suggested that you're the right person to pass along feedback regarding the draft rules for the voluntary self-exclusion program. After reading through it, I had a few items to note –

Voluntary self-exclusion section -

In the language around section (9) ("*To not recover any losses from the purchase of chips and/or participating in authorized gambling activities outlined in this Chapter.*"), I would note that as written this does not prohibit them from attempting or initiating recovery of any losses, and does not clearly state that any such losses are not eligible to be recovered. It seems to clash with the language of forfeiture in the section that immediately proceeds it.

Disclosure of Self-Exclusion Information section -

This section has multiple items that outline that disclosure of personal information of participants is not allowed, but does not indicate any penalty for a licensee/employee if they do disclose any personal information (also listed under Licensee's Responsibilities, 8-g). It indicates "or as otherwise permitted by law" but does not cite any relevant statute that may apply. Disclosure could be by mistake or it could be malicious, and both participants and licensees would benefit from clarity on the matter.

For dissemination of any forfeited funds -

More clarification and guidance in language is needed for item h-1-b ("*A charitable or nonprofit organization that provides problem gambling services or increases awareness about problem gambling*"), as it is overly broad and could be abused as written. If the option to direct funds other than to the state problem gambling account is retained, then the WSGC should maintain a list of non-profit organizations that they have vetted that meet the criteria that is intended under the draft language.

I hope that's helpful feedback, if there are any questions or clarifications needed, feel free to reach out to me any time. Thanks!

Ryan Keith, MPA
Grant Manager

Division of Behavioral Health and Recovery

(Office) 360-725-5237

(Fax) 360-763-4702

ryan.keith@hca.wa.gov

Washington State
Health Care Authority

www.hca.wa.gov



From: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Sent: Monday, May 3, 2021 12:38 PM
To: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Cc: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>
Subject: [DO NOT ENCRYPT] Voluntary self-exclusion program -- proposed draft rules

Hello Problem Gambling Task Force Members,

Happy May!

Attached are the WA State's Gambling Commission's proposed draft voluntary self-exclusion rules that are being circulated today.

WSGC invites comments, questions, concerns about the proposed language.

Please submit written feedback to Ashlie Laydon, WSGC's Rules Coordinator, by **Friday, May 14, at 5pm at**

Ashlie.laydon@wsgc.wa.gov or through [WSGC's website](#).

Thanks,

Roxane Waldron, MPA

Problem Gambling Program Manager

Division of Behavioral Health and Recovery

Health Care Authority

work cell: (360) 867-8486 – *please leave messages*

here (I am working remotely)

Pronouns: She/Her/Hers

roxane.waldron@hca.wa.gov

Washington State
Health Care Authority

www.hca.wa.gov



Clinical and Research Community Responses to Staff Questions

From: [Philander, Kahlil](#)
To: [Chinn, John \(GMB\)](#)
Subject: Re: State-wide Self-Exclusion
Date: Tuesday, June 29, 2021 4:15:59 PM

External Email

I don't have a strong opinion here as there not substantial evidence one way or another.

There is some evidence that gamblers can achieve improvement in outcomes from self-exclusion programs, even when they engage in other gambling. This I attribute to the fact that the program is helping them with the product that's creating the most issues for them. In that model, only restricting their local cardroom may be effective and encourage more uptake (as described by Roxane) if they feel they can still do things like drop into an out of town resort when they're traveling.

That said, I also think that operational simplicity should be the deciding element here. It simplifies understanding for frontline workers and for marketing communication to gamblers. Over the long-run, I suspect its more helpful to have a simple message and execution strategy with the program and treat the old system as deprecated. Particularly when we're already adding a layer of complexity in going multi-site, its better to execute well on that strategy than to worry too much about this decision on the margins.

On the margin

From: Chinn, John (GMB) <john.chinn@wsgc.wa.gov>
Sent: June 29, 2021 8:47 AM
To: Waldron, Roxane (HCA); Maureen Greeley; Philander, Kahlil; tylost@uw.edu
Cc: Robbins, Rashida (GMB)
Subject: State-wide Self-Exclusion

Greetings,

In working through the rules development process we are looking for feedback from the clinical and research communities on a specific area of concern.

The current state of self-exclusion in the House-Banked Card Rooms in Washington consists of individual lists that are not shared. Currently an individual enters into an agreement with a house-banked card room to self-exclude themselves from that place of business. This creates a less than ideal situation in assisting individuals in dealing with their gambling problem or gambling disorder. Once the state-wide system is operational licensees will be required to notify individuals on their self-exclusion lists of the state-wide system and provide a means of taking advantage the new system. Not all will respond so the licensees will be required to maintain both their individual lists as well as the state-wide list.

Our question, should the licensees be prohibited from adding individuals to their proprietary self-exclusion list instead of the state-wide system? From an operational perspective the simple answer is yes, but this doesn't take in to consideration the clinical perspective. We would like your feedback on the merits of requiring only using the state-wide system going forward and not adding new names to the individual site-specific lists.

I would appreciate your feedback by July 9, 2021. If you have any questions please contact me at john.chinn@wsgc.wa.gov<<mailto:john.chinn@wsgc.wa.gov>>

Thank you,

John Chinn
Project Manager

WSGC

From: [Maureen Greeley](#)
To: [Chinn, John \(GMB\)](#); [Waldron, Roxane \(HCA\)](#); kahlil.philander@wsu.edu; tylost@uw.edu
Cc: [Robbins, Rashida \(GMB\)](#); [Maureen Greeley](#); [Griffin, Tina \(GMB\)](#); [Considine, Brian \(GMB\)](#); [Patterson, Julia \(GMB\)](#)
Subject: RE: State-wide Self-Exclusion
Date: Wednesday, July 14, 2021 12:32:08 PM
Attachments: [Voluntary Self Exclusion Best Practices.ECPG.July 2021.pdf](#)

External Email

Good afternoon!

John, thank you so much for including ECPG in this email. While we agree wholeheartedly that providing individuals with a state-wide system where they can choose to register for a voluntary self-exclusion program once and be successfully barred from multiple gaming locations across the state is fantastic (kudos to WSGC for moving forward on this important initiative), I would like to address the concerns you listed below. I am also attaching a copy of our Council's new briefing paper on ***Best Practices and Broad Perspectives for Voluntary Self-Exclusion Program Development***. I hope you will find it helpful as you continue the rules development process.

Because Voluntary Self-Exclusion programs are, first and foremost, tools for individuals who believe that they have a problem with gambling and can voluntarily bar themselves from entering one or more gambling venues to help prevent their gambling behaviors. And, because Voluntary Self-Exclusion Programs are important tools that the Gaming Industry can offer their guests to enhance customer service and corporate responsibility, support harm-minimization, and assist self-excluding individuals to get the help they need to address their problems and achieve their goals. We believe the best way to accomplish this is to ensure that registration in voluntary self-exclusion programs in Washington State is available at multiple access points (casino/card room, TGA, Health Care services location; through WSGC, via Internet, and more). If that means that more than one list must be kept at different locations, while not optimal, it should be offered.

The key here is to make this tool as easily accessible as possible. And so, it is crucial that all processes and procedures (wherever and however the registration takes place) are consistent. All registration points must use the same forms; take the same type and size of picture; provide training for their staff who will be interacting with registrants; and ensure that accurate and meaningful information on treatment referrals and support services are discussed with the individual when they register.

For many people, Voluntary Self-Exclusion is their first step in seeking help (and it is a difficult step to make). It is far more than an enforcement/regulatory system – it is a harm-minimization and treatment support opportunity that must be offered to the full extent possible.

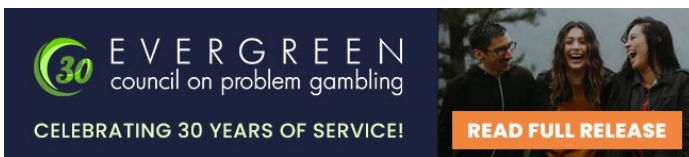
Therefore, ECPG would highly recommend that WSGC and stakeholders add to the rule-making discussions ways in which to make the State-wide Voluntary Self-Exclusion Program accessible to individuals at as many locations as possible, particularly within Washington State Casinos and Card Rooms.

Happy to discuss further and/or help support your efforts.

Warmly,

~Maureen

Maureen L. Greeley
Executive Director



360.352.6133

www.evergreencpg.org

24/7 Helpline: 800.547.6133

From: Chinn, John (GMB) <john.chinn@wsgc.wa.gov>

Sent: Tuesday, June 29, 2021 8:48 AM

To: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>; Maureen Greeley <Mlgreeley@evergreencpg.org>; kahlil.philander@wsu.edu; tylost@uw.edu

Cc: Robbins, Rashida (GMB) <rashida.robbins@wsgc.wa.gov>

Subject: State-wide Self-Exclusion

Greetings,

In working through the rules development process we are looking for feedback from the clinical and research communities on a specific area of concern.

The current state of self-exclusion in the House-Banked Card Rooms in Washington consists of individual lists that are not shared. Currently an individual enters into an agreement with a house-banked card room to self-exclude themselves from that place of business. This creates a less than ideal situation in assisting individuals in dealing with their gambling problem or gambling disorder. Once the state-wide system is operational licensees will be required to notify individuals on their self-exclusion lists of the state-wide system and provide a means of taking advantage the new system. Not all will respond so the licensees will be required to maintain both their individual lists as well as the state-wide list.

Our question, should the licensees be prohibited from adding individuals to their proprietary self-exclusion list instead of the state-wide system? From an operational perspective the simple answer is yes, but this doesn't take in to consideration the clinical perspective. We would like your feedback on the merits of requiring only using the state-wide system going forward and not adding new names to the individual site-specific lists.

I would appreciate your feedback by July 9, 2021. If you have any questions please contact me at john.chinn@wsgc.wa.gov

Thank you,

John Chinn
Project Manager
WSGC



EVERGREEN
council on problem gambling

BEST PRACTICES AND BROAD PERSPECTIVES FOR VOLUNTARY SELF-EXCLUSION PROGRAM DEVELOPMENT

The Evergreen Council on Problem Gambling (ECPG) is a 501(c)(3) nonprofit organization committed to providing services and programs for those with a gambling or gaming problem/Gambling Disorder, their families, employers, students, treatment professionals, and the greater community through gambling addiction treatment support, information and education, advocacy, research, and prevention efforts. Founded in 1991, ECPG maintains a position of neutrality on gambling and gaming, recognizing that most people who gamble do so for recreation and suffer no serious problems. However, for some, gambling becomes a serious addiction, devastating to the individual and family. ECPG is the Washington State Affiliate of the National Council on Problem Gambling.

ECPG MISSION

The Evergreen Council on Problem Gambling is dedicated to increasing awareness of public health issues around problem gambling and gaming, expanding the availability and integration of services, and supporting advocacy, research, and programs for education, prevention, treatment, recovery, and responsible gambling and gaming.

Supporting the Gaming Industry's efforts to provide information and tools to reduce harms by offering Voluntary Self-Exclusion Programs is an important part of ECPG's work. Our Council provides this brief overview of *Best Practices and Broad Perspectives* to assist Gaming Operators in developing Voluntary Self-Exclusion Programs that are designed to help and empower people in getting the help they need to address their gambling problems and achieve their health goals.

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Expectations and Purpose

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Support Services and Resources

Self-Exclusion Period/Term Options

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Compliance and Breaches of Agreement

Promoting Awareness of Self-Exclusion Program

Breaking Down Barriers

References and Resources

Note: This is a brief overview only. Each content area has many components to consider and will, undoubtedly, bring up additional questions. Please do not hesitate to let our ECPG Staff know if there are other ways we can assist in discussions, planning, and program development.

INTRODUCTION

Self-exclusion is, first and foremost, a tool for individuals who believe that they have a problem with gambling and can voluntarily bar themselves from entering one or more gambling venues to help prevent their gambling behaviors. Most people report that they decided to self-exclude themselves, although family and friends may also play a role in the decision to self-exclude. Financial problems often constitute the main reason for self-exclusion and most people report that they are unable to stop gambling of their own accord. Severe financial hardship, stress caused by their gambling problems that affect their physical and mental health, desperation, and suicidal thoughts are all among the feelings shared by individuals as they contemplate signing up for Self-Exclusion Programs.

When people are considering self-exclusion, they are looking for help. Voluntary Self-Exclusion Programs are important tools that the Gaming Industry can offer their guests to enhance customer service and corporate responsibility, support harm-minimization, and assist self-excluding individuals to get the help they need to address their problems and achieve their goals. Self-Exclusion programs should help and empower people, not make them feel like criminals. Here is some of the information gleaned from research that may be helpful when considering development of Self-Exclusion Programs.

Despite evidence for effectiveness, only a small proportion of individuals with gambling-related problems or Gambling Disorder ever seek treatment and support resources for their problem. Voluntary self-exclusion (VSE) programs are an ideal circumstance to engage individuals who are reluctant or have not yet sought formal treatment, given that individuals are already electing to prevent themselves from gambling through self-exclusion. (Yakovenko, I., & Hodgins, D. (2021). Effectiveness of a voluntary casino self-exclusion online self-management program. *Internet Interventions* 23 (2021) 100354 Elsevier B.V.)

This self-directed intervention is often the first serious attempt a person makes to control their gambling (Blaszczynski et al. 2004).

Participants in self-exclusion programs state that the program had been very helpful in regaining control of their financial affairs and overcoming relationship problems. Furthermore, many participants found the process of enrolling into the program empowering and saw it as the start of their recovery. (Croucher et al. 2006)

Benefits include participants reporting decreases in gambling expenditure and improved financial circumstances; decreases in gambling frequency and time spent gambling; reduction in problem gambling severity and negative consequences of gambling; reduction in related psychological difficulties including depression and anxiety; and feeling they have more control of their circumstances. (Gainsbury 2014)

EXPECTATIONS AND PURPOSE

For Voluntary Self-Exclusion Programs to be effective, clear information about the self-exclusion program and wide promotion of the program are both important. Casino staff and Tribal Gaming Authority/Regulators should have an effective training program for all staff who have a role in enforcing the self-exclusion program, including refresher training.

“The features and principles of a self-exclusion program should be fully understood by individuals who wish to self-exclude, employees of gaming venues, gaming venue operations, and regulatory bodies. This is essential in order to clarify expectations regarding the role and limits of all parties including legal and governmental authorities and avoid unrealistic expectations and unfair criticisms.” (Gainsbury 2014)

Some of the areas that must be covered with the guest at the time of Self-Exclusion Registration (pursuant to the Gaming Venue’s Policies and Procedures):

- Agreement not to enter gaming areas, not to play gaming machines, or not to enter the venue at all
- Authorizing Casino/Regulatory staff to stop them from entering or remaining in a gaming area or venue from which they are excluded
- Accept their personal responsibility to stay away from the venue
- Clear roles and expectations, including how compliance breaches will be managed; and how Self-Exclusion Extensions or Reinstatements are handled
- Clear description of Self-Exclusion term options – let the individual choose, do NOT lead them into any particular option
- Clear information on player cards and loyalty points (does individual have more than one player card or is registered under more than one name?)
- Cessation of promotional materials
- Winnings forfeiture policies
- Share options for support resources (treatment and recovery resources; financial management counseling; community resources)

GUEST INTERACTION AND REGISTRATION

Registration in a Voluntary Self-Exclusion Program should not be cumbersome or stigmatizing to the guest. Staff training at multiple access points is key to ensuring consistency and a professional process.

- Make registration available at multiple access points (casino, TGA and/or Corporate offices; Health Care services location; casino hotel guest services...)
- Registration should take place in a comfortable, private, friendly setting that ensures confidentiality and respects the individual (don't make them feel like a criminal or engage in stigmatizing behaviors and verbal communications – encourage the guest in making healthy gaming choices that can include self-exclusion as an individual tool to support those choices.)
- Ensure all processes and procedures are consistent regardless of where registration takes place (use the same forms; take the same type and size of picture; same staff training...)
- Staff interacting with guests during the Self-Exclusion Registration should be specially selected and trained to provide a responsive, respectful, and professional process. Trained “Ambassadors/Supervisors” should conduct meeting, explanations, and registration.
 - Do not offer the guest an opportunity to engage in “one last bet” or to “finish spending their free-play money.”
 - Self-Exclusion Registration should be handled discreetly and in a timely fashion. It is best to offer the guest a seat in a comfortable, quiet, private area. If, for any reason, the guest is asked to wait for assistance with Self-Exclusion Registration, do not offer or ask the guest to wait at a gaming machine or gaming table, or within or near the gaming floor.

SUPPORT SERVICES AND RESOURCES

Ensure that information on resources and/or actual resources are available to assist players.

- Share options for support resources (treatment and recovery resources; financial management counseling; community resources)

People using self-exclusion programs noted the following items that should be stronger: Many gamblers felt that the programs did not provide them with sufficient resources on problem gambling treatment and support during the ban period; that the detection process was not strong enough; the program was not well advertised; and they should be able to renew a self-exclusion agreement without going back to the casino (Ladouceur et al. 2000).

All self-exclusion participants' names must be removed from marketing lists and participants should be made aware that any winnings during the self-exclusion period (indicating the individual has breached the self-exclusion agreement) will be forfeited and made available to a Tribal or nonprofit organization that supports prevention/awareness, treatment, and recovery support for those affected by problem gambling.

SELF-EXCLUSION PERIOD/TERM OPTIONS

(No Early Reinstatement Options)

Periods of self-exclusion in gaming venues across the world vary substantially. But most often options range from 6 months to irrevocable lifetime bans.

Almost all research indicates that it is best to offer a range of exclusion time periods. ECPG recommends a minimum of 1 year to allow individuals sufficient time to enter treatment if desired. Longer bans may be more effective, and ECPG recommends offering the Lifetime (irrevocable) *option* for those who might choose it. Offer one or two other interim options (2 years and/or 3 years) that are not Lifetime so that individuals have choices that do not deter them from registering for the self-exclusion program when only a Lifetime exclusion is offered. “In general, most participants felt that longer bans were better because they felt that most gamblers with problems do not realize how serious their problems are at the time of self-exclusion. Most participants recommended a minimum ban length of one year because they felt that shorter bans were easy to wait-out and did not provide enough time for people who had self-excluded to stabilize and develop healthier behaviours.” (Responsible Gambling Council, 2008)

ECPG RECOMMENDED SELF-EXCLUSION TERMS:

1 year

2 year

3 year

Lifetime (irrevocable)

SELF-EXCLUSION EXTENSION AND/OR ACTIVE REINSTATEMENT

A reinstatement process should be put in place before the self-excluded individual is permitted re-entry into casino/gaming facilities. Prior to the end of the self-exclusion term, individuals should be contacted with appropriate information and clear details regarding reinstatement requirements. Individuals should be able to extend the Self-Exclusion period.

ECPG recommends an Active Reinstatement Process, whereby the individual must apply to be reinstated (preferably in writing). This allows, yet again, an opportunity to provide the individual with support and information regarding treatment and support resources, rather than a Passive Reinstatement where the individual can automatically re-enter the casino after the end of the exclusion period. If the individual does not initiate reinstatement prior to the initial term end, then the ban, as well as any consequences for breaches, would continue in force. (NOTE: This needs to be clearly stated on Self-Exclusion forms and materials and explained carefully to the individual – suggest signing/initially next to this provision).

Even if reinstatement is granted, suggest a 30-day waiting period after approval and resend a package with information on problem and responsible gambling, treatment and recovery resources, and financial management counseling options.

Determine how many times you want to offer an extension before the ban should be permanent. Suggestion: Initial Self-Exclusion; Second (Extension); with Third Request – consider initiating Lifetime Self-Exclusion as permanent/irrevocable ban.

COMPLIANCE AND BREACHES OF AGREEMENT; CONSEQUENCES

(Enforcement and Support)

Be clear upfront on what the consequences are and make sure you use any breach as another opportunity to share treatment and support resources with respect and confidentiality. Potential consequences might include:

- Verbal warning and/or warning letter – in discreet and respectful meeting with a trained Ambassador/Supervisor
- Escorted off premises
- Trespass charge
- Fines (not recommended by ECPG)
- Forfeiture of any winnings while Self-Excluded (winnings to go to Tribal or nonprofit program for problem gambling prevention/awareness, treatment, and recovery supports.)

PROMOTING AWARENESS OF SELF-EXCLUSION PROGRAM

Most gaming venues have great opportunities to advertise self-exclusion programs on their websites and through print materials and displays throughout the casino, including in “discreet locations” such as restrooms; on ATM machines; potential for information kiosk/Responsible Gaming Center within casino.

Promotion of the self-exclusion program as well as support services and resources should be available at the casino as well as information provided in the general community and through health and mental health centers and other relevant support services. Relevant professionals (treatment professionals, financial counselors, court systems) should all be informed about the program so that they may refer clients as appropriate.

A major aspect of promoting self-exclusion programs is educating casino/gaming staff, Tribal Gaming Authority and other regulatory staff at every level on the program. Anyone interacting with a guest should be aware of the program and how to access it in a timely manner. Create a *Culture of Responsible Gaming* throughout your venue and at all levels – from the top down.

BREAKING DOWN BARRIERS

Individuals who have experienced the self-exclusion process report mixed feelings in a wide variety of studies and reports. When the staff is supportive and compassionate, the guest felt comfortable. Often, however, reports that staff were rude, uncaring, and disrespectful, or staff and situations (isolated dark rooms behind the security office; noisy areas that didn't offer privacy) that made the guest feel "like a criminal" were barriers.

It is important to remove any unnecessary complexities in the application and registration process, including for those who have limited proficiencies in English, and unnecessary legal jargon....Individuals should have the ability to enact agreements away from gaming venues, such as at a central administrative office, with a health or mental health treatment provider or legal professional, or via the Internet or mail. (Gainsbury 2014)

During the process of enrollment, privacy and confidentiality were an important concern. Venue staffs' attitude was also frequently criticized: staff members were perceived as not sufficiently briefed on the process and did not provide reasonable sensitivity, encouragement, or support. (Hing, Nuske, et al, 2015; Hing et al, 2014).

RESOURCES AND REFERENCES

Croucher, J.S., Croucher, R.F., & Leslie, J.R. (2006) *Report of the Pilot Study on the Self-Exclusion Program conducted by GameChange (NSW)*.

Gainsbury, S.M. (2014) *Review of self-exclusion from gambling venues as an intervention for problem gambling. **Journal of Gambling Studies**, 30(2), 229-251.*

Hing, N., Nuske, E., Tolchard, B, & Russell, A (2015). *What influences the types of help that problem gamblers choose? A preliminary grounded theory model. **International Journal of Mental Health Addiction**, 13(2), 241-256.*

Hing, N. Tolchard, B., Nuske, E., Holdsworth, L. & Tiyce, M. (2014). *A process evaluation of a self-exclusion program: A qualitative investigation from the perspective of excluders and non-excluders. **International Journal of Mental Health and Addiction**, 12(4), 509-523.*

Ladouceur, R., Jacques, C., Giroux, I., Ferland, F., & Leblond, J. (2000) *Analysis of a casino's self-exclusion program. **Journal of Gambling Studies** 16, 453-460*

Responsible Gambling Council (2008) *From Enforcement to Assistance: Evolving Best Practices in Self-Exclusion*

Yakovenko, I., & Hodgins, D. (2021) *Effectiveness of a voluntary casino self-exclusion online self-management program. **Internet Interventions** 23 (2021) 100354 Elsevier B.V.*

From: [Waldron, Roxane \(HCA\)](#)
To: [Chinn, John \(GMB\)](#); [Maureen Greeley](#); kahlil.philander@wsu.edu; tylost@uw.edu
Cc: [Robbins, Rashida \(GMB\)](#)
Subject: RE: State-wide Self-Exclusion
Date: Tuesday, June 29, 2021 9:25:29 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)

Hi John,
Thanks for including me in this email.

From my point of view, we always want to be lowering barriers for individuals to self-exclude. I'm in the camp of continuing to let sites maintain their own lists if they wish, while also notifying the individual that they can sign up for the statewide self-exclusion.

Just my two cents—I'm not a clinician as you know.

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*
Pronouns: She/Her/Hers
roxane.waldron@hca.wa.gov



From: Chinn, John (GMB) <john.chinn@wsgc.wa.gov>
Sent: Tuesday, June 29, 2021 8:48 AM
To: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>; Maureen Greeley <MIgreeley@evergreencpg.org>; kahlil.philander@wsu.edu; tylost@uw.edu
Cc: Robbins, Rashida (GMB) <rashida.robbins@wsgc.wa.gov>
Subject: State-wide Self-Exclusion

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Our question, should the licensees be prohibited from adding individuals to their proprietary self-exclusion list instead of the state-wide system? From an operational perspective the simple answer is yes, but this doesn't take in to consideration the clinical perspective. We would like your feedback on the merits of requiring only using the state-wide system going forward and not adding new names to the individual site-specific lists.

I would appreciate your feedback by July 9, 2021. If you have any questions please contact me at john.chinn@wsgc.wa.gov

Thank you,

John Chinn
Project Manager
WSGC

From: [Philander, Kahlil](#)
To: [Chinn, John \(GMB\)](#); tylost@uw.edu; [Waldron, Roxane \(HCA\)](#)
Cc: [Robbins, Rashida \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#)
Subject: Re: Self-Exclusion Question
Date: Tuesday, August 3, 2021 3:26:59 PM

External Email

Hi John,

Apologies for the delay as I've been away on vacation.

The best practice is that the fair value of the promotional points are paid out when enrolling (i.e. free play, not tier status-related points). This best practice is indeed based on the findings from the RGC study in 2013 that Ty forwarded (pg 45), which is not empirical but reflected a forum "consensus" from "experts".

If paying the fair value is not an option, I would suggest that the account is frozen rather than deleting the balance. I believe it is better to provide a strong incentive upfront when gambling behavior is at a more harmful level. Presumably when the individual is at the end of their period and is faced with the decision of returning for unfrozen points, they are in a better headspace.

Kahlil

From: Chinn, John (GMB) <john.chinn@wsgc.wa.gov>
Sent: July 29, 2021 10:48 AM
To: Philander, Kahlil; tylost@uw.edu; Waldron, Roxane (HCA)
Cc: Robbins, Rashida (GMB); Laydon, Ashlie (GMB)
Subject: Self-Exclusion Question

Good morning,

We have been having an internal discussion about players cards and self-exclusion. We would appreciate your opinion on this topic.

What happens to an individuals players card (account) when they sign up for self-exclusion?

Current Draft Rules – When an individual signs up for self-exclusion their player card account is closed and any outstanding points balance is deleted. This is in addition to loss of other privileges such as check cashing, promotional activities, mailings, etc.

Possible alternative - When an individual signs up for self-exclusion their players card account is frozen/inactive for the duration of the exclusion period. Once the term expires the account is made active with no lose of benefits. The loss of other benefits such as check cashing, promotional activities, mailings etc. would still be effect during the self-exclusion term.

Our discussion has centered around the loss of player points, could be a disincentive for committing to self-exclusion. Obviously an individual could use their points prior to self-exclusion. Would the existence of a remaining balance in the player card account act as an incentive to resume going to HBCRs after the self-exclusion term expires.

We are quickly approaching our deadline for presenting the final rules draft to the commissioners and would appreciate a quick response. Please reply by August 6th.

Thank you for taking the time to assist us,

John Chinn
Project Manager
WSGC

From: [Waldron, Roxane \(HCA\)](#)
To: [Chinn, John \(GMB\)](#)
Cc: [Ty Lostutter](#)
Subject: RE: Self-Exclusion Question
Date: Friday, July 30, 2021 4:39:01 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)

John, I'm supporting Ty's position, that the points should not remain in the account until a future date.

One thing we learned today in our Research & Data Workgroup from Kristi Weeks at the Lottery is that the 'Points for Prizes' program points expire every year. Since the smallest amount of time that an individual can self-exclude for also for one (1) year, their points will be gone when/if they come back after self-exclusion. The points will not continue past self-exclusion.

Lottery's 'Points for Prizes' is a program where individuals can register and log 'non-winning tickets' for points that they can then redeem for prizes.

Hope that helps—I'll be away from 8/2-8/9, returning to work on 8/10.

Thanks, John.

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*
Pronouns: She/Her/Hers

roxane.waldron@hca.wa.gov

Washington State
Health Care Authority

www.hca.wa.gov



From: Chinn, John (GMB) <john.chinn@wsgc.wa.gov>
Sent: Thursday, July 29, 2021 10:48 AM
To: kahlil.philander@wsu.edu; tylost@uw.edu; Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>

Cc: Robbins, Rashida (GMB) <rashida.robbins@wsgc.wa.gov>; Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>

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John Chinn
Project Manager
WSGC

From: [Ty W Lostutter](#)
To: [Chinn, John \(GMB\)](#)
Cc: kahlil.philander@wsu.edu; [Waldron, Roxane \(HCA\)](#); [Robbins, Rashida \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#)
Subject: Re: Self-Exclusion Question
Date: Thursday, July 29, 2021 8:35:33 PM
Attachments: [clip_image001.png](#)
[responsible-gambling-best-practices-for-player-incentives-land-based-venues-2.pdf](#)

External Email

Dear John,

I can not find any research data that empirically compares suspending versus forfeiting players points in terms of behavioral outcomes. The research I have found on best practices by other jurisdictions suggest that forfeiting players points at the time of self-exclusion as the recommendation. Behaviorally that makes sense in the idea that the gambler might think about those frozen points which could be incentive to return to gambling to use those points. Therefore, I suggest implementing a forfeiting players points and closing the account at the time of self-exclusion makes the most sense from a clinical and behavioral psychology perspective.

I've attached the Responsible Gambling Council's (RGC) Centre for the Advancement of Best Practices in which they suggest that forfeiting players points is the recommendation.

I hope this is helpful and thank you for asking.

Ty

Ty W. Lostutter, Ph.D.

Associate Professor
Director, Psychology Internship Program

Psychiatry & Behavioral Sciences | UW Medicine

Psychology Internship Program | 1959 NE Pacific St | Box 356560 | Seattle, WA 98195-6560

OFFICE: 206.543.7576 **FAX:** 206.685.8952

EMAIL: tylost@uw.edu **WEB:** <http://depts.washington.edu/psychweb/>

Center for the Study of Health & Risk Behaviors | 1100 NE 45th Street, Suite 300 | Box 354944 | Seattle, WA 98195-4944

OFFICE: 206.543.0473 **FAX:** 205.616.1705

EMAIL: tylost@uw.edu **WEB:** <https://sites.uw.edu/cshrb/>



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On Jul 29, 2021, at 10:48 AM, Chinn, John (GMB) <john.chinn@wsgc.wa.gov> wrote:

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We have been having an internal discussion about players cards and self-exclusion. We would appreciate your opinion on this topic.

What happens to an individuals players card (account) when they sign up for self-exclusion?

Current Draft Rules – When an individual signs up for self-exclusion their player card account is closed and any outstanding points balance is deleted. This is in addition to loss of other privileges such as check cashing, promotional activities, mailings, etc.

Possible alternative - When an individual signs up for self-exclusion their players card account is frozen/inactive for the duration of the exclusion period. Once the term expires the account is made active with no lose of benefits. The loss of other benefits such as check cashing, promotional activities, mailings

etc. would still be effect during the self-exclusion term.

Our discussion has centered around the loss of player points, could be a disincentive for committing to self-exclusion. Obviously an individual could use their points prior to self-exclusion. Would the existence of a remaining balance in the player card account act as an incentive to resume going to HBCRs after the self-exclusion term expires.

We are quickly approaching our deadline for presenting the final rules draft to the commissioners and would appreciate a quick response. Please reply by August 6th.

Thank you for taking the time to assist us,

John Chinn
Project Manager
WSGC



CENTRE FOR THE
ADVANCEMENT OF
BEST PRACTICES

INSIGHT **2013**

Responsible Gambling Best Practices
for Player Incentives: Land-based Venues

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PREAMBLE

The Responsible Gambling Council's (RGC) Centre for the Advancement of Best Practices is pleased to present its findings from Insight 2013—a research project designed to investigate and identify best practices for player incentives in land-based venues. The research included:

- An in-depth literature review
- An examination of the policies and practices for player incentives in Canada and elsewhere
- A focus group with individuals in treatment for gambling-related problems
- A two-day forum with gaming providers, regulators, treatment counselors, researchers, marketing experts, and others

RGC wishes to thank the Atlantic Lottery Corporation, the British Columbia Lottery Corporation, Loto-Québec, the Manitoba Lotteries Corporation, the Nova Scotia Provincial Lotteries & Casino Corporation, the Ontario Lottery and Gaming Corporation and the Saskatchewan Liquor and Gaming Authority for the financial support that made this project possible.

RGC also thanks the many individuals who contributed to the project. These include the gamblers who participated in the focus groups and the individuals who attended the Expert Forum.

While this project results from the contributions of many, the work is a product of RGC's analysis and RGC assumes responsibility for its content.

EXECUTIVE SUMMARY

Similar to other industries, the gaming industry uses a range of incentives to attract and reward its customers. Despite the widespread use of these incentives, however, little attention has been given to the potential impact they may have on problem gambling, and the implications they have for responsible gambling. Yet people with gambling problems—or who are developing gambling problems—can be impacted by incentives in a negative way. With this in mind, the RGC Centre for the Advancement of Best Practices has undertaken a research project designed to better understand the nature of player incentives, their potential impact on problem gambling risk, and how they might be made safer for players. The project focuses on player incentives at land-based venues and gathers information from Canadian and international jurisdictions. Literature and policy reviews, a focus group, and a two-day forum are all used to obtain data.

Overall, the findings of this report reveal that although the specific details of how they operate may vary, player incentives generally work in similar ways across jurisdictions and individual gaming venues. Rewards come in the form of cash, free play, accommodation, entertainment, free or discounted services, merchandise, food/beverage and travel. Some rewards are available to all patrons, but most are exclusive to members of the venue's loyalty program and so are the focus of this report. While there is no direct evidence that incentives and loyalty programs create gambling problems, there is evidence that they can heighten problem gambling behaviours and that they have a strong appeal for some people who are at risk of, or have already developed, a gambling problem.

Concern about the appeal of incentives to gamblers with problems has led some to call for the prohibition of loyalty programs. Others point to the opportunities presented by loyalty programs to communicate safety information to patrons, to track behaviours, to identify potential and emerging problems ("red flag" behaviours), and to initiate actions to mitigate potential problems.

On balance, player loyalty programs—as long as they are not seen exclusively as a marketing tool—have some potential benefits from a player protection perspective. That assumes, however, that loyalty programs and other incentives actively build in tools and analytics that enable increased player information and safeguard, some of which are presented below.

Promoting Informed Decision Making

There are many opportunities to use player data to assist patrons in making informed decisions. These include:

- Beginning with the registration process itself, taking regular opportunities to provide players with information about the realistic chances of winning and losing, where to get help, and the benefits of setting limits. Also providing some of the many other safety messages associated with well-designed responsible gambling programs. Such information might be provided in any number of ways using the communication tools available to gaming providers. It would likely mean incorporating RG information in regular circulations, as well as distributing some information that is exclusively focused on RG topics.
- Providing players with accurate and easy-to-access information about the links between the amounts they spend and the rewards they earn.

- Informing players that greater rewards are related to greater spending and that it is risky to view rewards, reaching a higher tier, or receiving greater staff attention as a status symbol or a measure of greater self-worth.
- Providing loyalty members with activity reports that let them know their play history over a period of time of their choosing, such as the past month or year. Making the receiving of reports the default option with the capability to choose their frequency or to turn them off.
- Providing members with normative feedback on their play history, using the entire database of loyalty members to calculate percentages and averages.

Ensuring Marketing Incorporates an RG Perspective

- Beyond the provision of good consumer information, there are also ways that loyalty programs and incentives can be managed in a way which reduces the risk of gambling problems. These include:
- Ensuring that any information contained in promotional communications and materials complies with existing RG guidelines for advertising and marketing, and does not imply that participating in loyalty programs or other incentives increases the player's chances of winning.
- Permitting players to have only one card for the same loyalty program membership.
- Incorporating RG information in promotional communications and materials with adequate prominence relative to other messaging.
- Having an annual renewal for loyalty program membership that gives players an opportunity to review their past-year gambling activity with gaming venue staff.
- When players register for a loyalty program, requiring them to *opt in* explicitly to each form of marketing communication (e.g., mail, email, phone, texts) they wish to receive.
- Once they become loyalty members, allowing players to easily opt out of some, or all, forms of marketing communication at any time.

Optimizing RG in the Earning and Redemption of Rewards

- Allowing players to earn points and rewards not just for the time and money they spend gambling, but for participating in non-gambling activities as well, both inside and outside of the gaming venue.
- Encouraging players to set personal gambling limits on their loyalty card. If players reach one of the limits they have set, have a message tell them that they have reached a limit. If players still continue to gamble, don't allow them to accrue any additional loyalty points.
- Rewarding players with (non-gambling) incentives for using the self-limiting tools.

- Allowing players to redeem their loyalty points for non-gaming rewards both inside and outside of the gaming venue (e.g., merchandise, food).
- Allowing players to participate in contests without having to be at the gaming venue when prizes are announced.
- Allowing a cooling-off period after players have lost a large sum of money before offering any incentive to gamble further. Once such a player has left the premises, allow a reasonable amount of time to pass before offering that player an incentive to return to the venue.
- Ensuring that alcohol is not used as an inducement or reward for gambling. [Note that in most Canadian provinces, complimentary alcohol service is prohibited.

Supporting At-Risk Players

Some players will gamble in a manner that exhibits “red flag” behaviours which suggest a potential problem and which trigger observations and responses from venue staff. These at-risk players warrant special attention from the perspective of rewards and incentives. Self-excluded players also warrant special attention in this regard. Both groups of players would benefit from the following provisions:

AT-RISK PLAYERS

- Using loyalty card data, in combination with staff observations and other documentation, to identify red flag behaviours that may indicate a potential gambling problem.
- Putting a customer service protocol in place to identify when and how staff will take action when a loyalty member exceeds red flag thresholds for frequency of gambling, duration of sessions, average bet size, and cumulative losses.
- Having an escalating process in place to offer red-flagged players assistance, education, as well as the option of easily removing themselves from future incentives or marketing communications. (The same system would also be used for those players exhibiting red flag behaviours who are not loyalty club members.)
- Discontinuing rewards that, in order to be redeemed, require the player to be in the venue for extended periods of time—particularly if it means the player can access more cash (because, for instance, a new banking day has begun).
- Discontinuing discretionary rewards designed to promote longer stays.

SELF-EXCLUDED PLAYERS

- When players signs up for self-exclusion, immediately removing their name from all marketing contact lists.
- Paying out any unredeemed points and canceling the loyalty program membership immediately when a player self-excludes.

- Once their self-exclusion period has ended, requiring reinstated players to reapply for loyalty club membership and to opt *in* explicitly to each form of marketing communication they want to receive from the venue.

In summary, there is great opportunity to use loyalty cards to promote informed decision making, as well as to reduce risk by ensuring marketing incorporates an RG perspective; optimizing RG in the earning and redemption of rewards; and having special exemptions and protocols for those identified as at-risk or who have self-excluded. Future developments in the use of loyalty cards to inform and assist those at risk will further inform best practices in the promotion of safer gambling and the prevention of problem gambling.

INTRODUCTION

Similar to other industries, the gaming industry has adopted a range of initiatives to attract and reward their customers. Player loyalty programs, promotions, and other incentives are commonly used to attract new patrons, retain existing ones, and increase long-term profits.

Despite the widespread use of player incentives, however, little attention has been given to the potential impact they may have on problem gambling, and the implications they have for responsible gambling. While the gaming industry has made great strides in recent years in developing measures to help reduce problem gambling risk among players, few responsible gambling measures have been developed specifically for player incentives. Yet people with gambling problems—or who are developing gambling problems—can be impacted by incentives in a negative way.

With this in mind, the RGC Centre for the Advancement of Best Practices has undertaken a research project designed to better understand the nature of player incentives and their potential impact on problem gambling risk, and to identify opportunities to make them safer for players. The project focuses on player incentives at land-based venues, gathers information from Canadian and international jurisdictions, and brings together perspectives from a range of stakeholder groups. Literature and policy reviews, a focus group, and a two-day forum are all used to obtain data to identify a set of responsible gambling best practices for the provision of player incentives at land-based venues.

The report is divided into four chapters. Chapter 1 provides an overview of player incentives, reviews the literature relevant to player incentives and problem gambling risk, and examines the different policies and practices that are in place for player incentives across Canada and some international jurisdictions. Chapter 2 discusses the results of a focus group that was conducted with individuals in treatment for gambling-related problems in order to explore their experience with incentives and any suggestions they may have for making them safer for players. Chapter 3 presents the results of the Responsible Gambling Council (RGC)'s two-day forum that brought together gaming providers, regulators, treatment counselors, researchers, marketing experts, and others to discuss player incentives, their impacts, and current—as well as possible future—incentive safeguards. Chapter 4 synthesizes all of the information learned from previous chapters and provides a framework of player incentive best practices.

CHAPTER 1: LITERATURE AND POLICY REVIEW

With a focus on increasing repeat visits, customer spending, and brand loyalty, most gaming venues offer players some type of incentive in order to reward them for past gambling and to encourage them to engage in future gambling (Palmer & Mahoney, 2004). The purpose of this chapter is to provide an overview of how player incentives work; their potential impact on gambling behaviour and problem gambling risk; and measures to alleviate risks associated with them.

Some of the content of the chapter is based on the available literature on player incentives. Other content is based on information that was available publically, combined with documents that were sent directly to RGC from several Canadian gaming providers upon request.

Overview of Player Incentives

While the details of how player incentives work vary across jurisdictions and individual gaming venues, they operate in relatively similar ways. What follows below is a general description of the different types of rewards players can earn; how players can earn them; and the various ways the rewards are marketed to players.

DIFFERENT TYPES OF REWARDS PLAYERS CAN EARN

Some rewards are given to players as a reward for their past behaviour while others may be given to influence their future behaviour.

- *Cashback and Cash* – Cashback is literally cash given back to the player, often after they have spent a certain amount of money gambling. Players may also win cash prizes for participating in various promotions.
- *Free play* – Free play is a reward given to players in the form of gambling credits that are worth a certain amount of money. Often, the player needs to spend a certain amount gambling before being eligible to earn a free play offer.
- *Accommodation* – Free hotel rooms may be given to players, usually after they have spent a certain amount of time and money at the gaming venue. The quality of the accommodation usually depends on the particular patron's level of play.
- *Entertainment* – Gaming venues will sometimes offer players free tickets to concerts, live shows, movies, sporting events, and other activities.
- *Free or discounted services* – Examples of services that may be provided for free or at a discounted rate can include spa services, valet parking, and limousine service to and from the gaming venue.
- *Merchandise* – Gaming venues often give away merchandise to players such as logo items (e.g., key chains, drink bottles, hats), gift shop items, luggage, wine glasses, gift cards to retail stores and/or the gaming venue gift shop, as well as larger items such as cars.

- *Food and beverage* – Often, gaming venues give players vouchers for free or discounted meals at restaurants on- and off-site and, where permitted, free drinks to players on the gaming floor. Gaming venues tend to be fairly generous with food and beverage rewards, and often give them to any patron regardless of gambling activity. Free (and often, unlimited) meals for exclusive, high-end restaurants are often based on the amount gambled.
- *Air fare* – For some players, most often high spenders, gaming operators may offer free flights to and from the gaming venue.

DIFFERENT WAYS OF OBTAINING REWARDS

There are several different ways that players can earn rewards. While some are exclusive to members of the venue's loyalty program only, others are available to all patrons.

a. Loyalty Program Point Accrual and Redemption

In general, loyalty programs have two main goals: 1) to increase revenues by increasing purchase levels; and 2) to maintain the current customer base by strengthening the bond between the customer and the brand (Uncles, Dowling & Hammond, 2003; Matilla, 2006; Sui & Baloglu, 2003). Ultimately, these programs seek to build a long-term relationship with the customer through understanding and rewarding purchase behaviour (Meyer-Waarden, 2008).

In the gaming industry, both repeat patronage and brand attachment are important for player loyalty (Lucas, Dunn & Singh, 2005). One of the main ways that gaming venues try to earn loyalty from players is by offering a loyalty program that they can sign up for voluntarily and allows them to earn various rewards. The most common way that players can earn rewards is through the accumulation and redemption of points, which are usually earned by gambling. Many gaming venues also allow players to earn points for participating in non-gambling activities at the venue, such as shopping, dining, and other activities.¹

In order for players to accumulate points on their loyalty card for the gambling activities they participate in, they usually need to either insert their card into a slot (or other electronic) gaming machine before playing, or present their card to the dealer at a gaming table where their play can be tracked and rated.² Play frequency and betting amounts are recorded via the loyalty card, and the information helps the

¹ Recently, it has also become possible for players in some jurisdictions to earn points on their loyalty card for participating in non-gambling activities outside of the gaming venue. For instance, in June of 2013, Hyatt Hotels & Resorts® and MGM Resorts International® formed a new partnership that allows members of MGM's loyalty program, M life, to be able to earn tier credits when they stay at Hyatt properties around the world. Conversely, members of Hyatt's loyalty program, Hyatt Gold Passport, can earn and redeem points on their loyalty card at 12 MGM properties on the Las Vegas strip (e.g., MGM Grand, Bellagio). (Hyatt Hotels Corporation and MGM Resorts International, 2013).

² A few gaming operators in Canada allow loyalty program members to have, and use, more than one loyalty card for their account at any given time. Where multiple cards are allowed, players can insert them into several slot machines or table game readers at once, depending on the particular rules of the game. Sharing one's loyalty cards with other players, however, is prohibited.

venue know what games the player prefers. It also helps the venue determine which rewards to offer the player (Greenstein, 2012). The amount of money that players must spend on gambling to earn a single point usually varies across programs. In some, for example, players may need to spend \$10 on slot machines to earn a single point, while in others, they may only need to spend \$1 on slot machines to earn a single point. In addition to the baseline number of points that loyalty program members can earn for their gambling expenditures, they can sometimes also earn extra “bonus” points for spending beyond a certain level.

In most jurisdictions, loyalty programs operate on a tier-based system, such that a player’s tier level is determined by point accumulation, and greater rewards are offered as players move up to higher levels. The number of levels and types of rewards that players can earn at each level may vary across programs, but the underlying idea is the same: As play activity increases and more points are earned, higher tier levels are reached and greater rewards can be given. In most cases, not only are players required to obtain a certain number of points within a specified period of time to *move up* from the first tier level to higher levels, they must continue to earn a minimum number of points within a specified time period to *remain* at higher levels. If the minimum number of points is not earned within the designated time frame (e.g., 12 months), the player will be moved down to the level that aligns with their accumulated points. In some programs, players will be notified when they are approaching the end of their “tier year,” and will be informed of how many points they need to move up to the next tier, and the associated benefits of that tier.

The actual amount of money that players must spend on gambling (including bets and rebets) to move up to higher tier levels varies considerably across programs, and depends on a variety of factors—including how many points are required for each level and how much it costs to earn a single point. In Canada, a player may have to bet anywhere from \$5,000 to \$35,000 a year on slot machines to earn second tier level status, while they may have to bet anywhere from \$25,000 to \$400,000 for higher tier levels. In some programs, the highest (“VIP”) tier level requires a personal invitation to join in addition to a requisite number of points and gambling expenditures.³

Once earned, most loyalty programs allow players to redeem their points online, at the loyalty counter in a gaming venue, at a player kiosk, directly at a slot machine (if the reward is free play), or at other locations depending on the venue. Most programs require that a minimum number of points be redeemed at any given time (e.g., a minimum of 1,500 points, or the equivalent of \$5 in cash back). The type of rewards that loyalty program members can obtain by redeeming their points depends on the jurisdiction: Some allow players to redeem their points for cashback and/or free slot play only; some restrict rewards to discounts or vouchers for services or merchandise; and some allow players to receive the full range of rewards.

In Canada, the terms and conditions for loyalty programs state that the inactivity of a player’s account for a particular period of time will result in membership cancellation and forfeiture of any points accumulated that have not been redeemed. The duration of the period of inactivity varies with the program, but is typically either 12 or 18 months. When players are approaching the limit for a period of inactivity, some gaming venues will send them a notice letting them know that their account has been inactive and will

³ While several gaming jurisdictions in Canada have tier-based loyalty programs, three jurisdictions do not: Manitoba, Nova Scotia, and Prince Edward Island. In these jurisdictions, loyalty program members receive equal benefits in their respective programs, regardless of their level of play.

expire soon. The notice might also offer the player an incentive to return to the gaming venue, such as a free play voucher.

b. Promotions

Besides earning rewards through points and tiers, loyalty members can also receive rewards through exclusive, members-only promotions. An example might be a “Ladies Night” event, whereby female loyalty members can enter a draw from 8 PM until midnight on a Friday evening for a chance to win prizes such as jewellery or spa services. Other examples include *swipe-to-enter contests* that allow members to swipe their loyalty card—sometimes daily—for a chance to win various prizes, and *birthday club* promotions that allow members to enter a draw once during their birthday month for a chance to win a prize. Those who use their loyalty card can also be automatically entered into random draws for cash, food and beverage, free play, and even large prizes such as cars and trips. While some promotions are exclusive to loyalty program members only, others may be available to all players, including those with loyalty cards. A few examples include:

- *Draws* – Players can enter ballots into draws for a chance to win cash and other prizes. Ballots can be earned by winning jackpots and/or by purchasing them at the gaming venue. In Canada, the rules for participating in promotions such as draws vary, with some requiring the player to be present when prizes are announced to be eligible to win, even when the draws take place over a number of hours.
- *Slot Tournaments* – Players can enter slot machine tournaments by paying a fee (e.g., \$10) or by using their loyalty reward points. During a slot tournament, players are given a certain number of credits to gamble with for a specified period of time, and the player who ends up with the most credits at the end wins a jackpot prize.
- *Seniors Days* – On certain days of the week, seniors may be eligible to participate in random draws and/or be entitled to receive discounts on food, beverage, and venue amenities.

In general, promotions are meant to enhance patron experience at the gaming venue, and increase visit frequency as well as gaming revenue (Lucas, 2004). They provide players with an opportunity to win a wide range of prizes, and to participate in events that provide the players with particular perks.

c. Comping

- Most gaming venues—particularly casinos—have hosts whose job it is to create a relationship with players, a large part of which includes providing them with complimentary goods and services, commonly referred to as “comps.” In most jurisdictions, comps are a large part of what gaming operators spend each year on player rewards (Baynes, 2011).
- Generally, hosts offer comps to all patrons, from the penny slot players (“low rollers”) to those spending thousands of dollars or more per hand (“high rollers”). Exactly what players need to do to earn a comp varies across jurisdictions and individual gaming venues, but they typically receive comps based on their loyalty point accumulation, “theoretical loss,” and other variables. While hosts can offer comps to players at their own discretion, known as “discretionary comps,” most gaming venues have clear guidelines for how comps can be given out, and they usually need to be justified by the player’s gambling activity (Liu, 2005). In general, the more money bet

and the more time spent gambling, the higher the level of comp allowed (Tamburini, 2013). Low-level comps such as free food and beverage may sometimes be offered independent of gambling activity, and are often handed out randomly to players on the gaming floor. More valuable comps, such as free flights and luxury hotel suites, are usually restricted to high rollers who spend large sums of money at the venue. In Canada, at least one jurisdiction's policy states that comps are issued at the discretion of customer service staff, who are encouraged to review players' gambling history and the value of each player's average earned comp per visit, in order to make an educated decision about what type of comp to offer. Besides being issued by hosts and customer service staff, comps are also frequently offered to players through the mail—and, in some cases—via email, text messages, and telephone.

MARKETING OF INCENTIVES

When gaming venues want to notify players about the different type of incentives they offer and the different type of rewards players may be eligible for, the information is communicated to them in several different ways. The main ones are through signage on the gaming floor, email, regular mail, and gaming venue hosts. The latter three forms of communication tend to be more personalized in nature and are more often based on past gambling activity than the former. Floor signage is typically used to advertise loyalty programs, or to let players know about general promotions such as discounts on meals, enter-in gambling tournaments, etc. Some other ways that gaming venues may let players know about incentives include social networking sites, billboards, and text messages.

In order for a Canadian gaming venue to be able to contact loyalty program members for marketing purposes—whether by regular mail, email, phone, or text message—the venue must first obtain the player's consent. This is generally done on the application form as part of the registration process. Most jurisdictions ask players to check mark each method of communication they explicitly consent to receiving; other jurisdictions, however, simply ask players to provide all of their contact information on the form, and then state, in smaller print, that by providing this information, they are giving consent to receiving all methods of promotional communication from the venue. Once players become loyalty program members, they can usually opt out of receiving some or all forms of promotional communication at any time, although exactly how they must do this varies by jurisdiction and communication method. For example, in at least one province, if players no longer want to receive promotional material through regular mail, they must mail in the request; if they no longer want to receive emails, they must email the request.

Impact of Player Incentives

Player incentives work to influence visit frequency and spending behaviour, and to garner a positive attitude towards the gaming brand.

LOYALTY AND VISIT FREQUENCY

In today's competitive marketplace, gaming operators offer players not just rewards, but highly personalized service and attention. It is hoped that in addition to the rewards themselves, this will increase perceived value by the players and make them more loyal customers who visit the venue more often (Crofts, 2011; Chen McCain, Jang, & Hu, 2005). Surveys with loyalty members show that special treatment, positive employee interaction, and rewards such as cashback and free meals/ accommodation

are indeed linked to player loyalty (e.g., frequency of visits) to the gaming venue (Huang, Chen McCain, & Tie, 2008; Yi & Busser, 2008). Recognition for visiting and spending at the venue is also important for player loyalty (Huang et al., 2008), as is superior customer service. Chen McCain et al. (2005), for example, found that when Las Vegas casinos trained their employees to respond to customers' needs and wants—as well as earn their trust—player loyalty was greatest, and it made a significant difference to whether or not the customer continued to visit the gaming venue.

SPENDING BEHAVIOUR

Research shows that, in addition to visit frequency, player incentives can impact spending behaviour, resulting in more money being spent gambling at the venue than might otherwise occur. Min (2012), for instance, examined how the introduction of a new loyalty program affects slot machine and table game betting amounts. The loyalty program studied by Min in Las Vegas included more opportunity for earning comps, greater tier-level benefits, and the ability to earn points through non-gaming spending. Overall, the program resulted in an increase in the amount of money that players bet on slots—such that collectively, they bet an additional \$302,000 per day. (The incentives, however, had no effect on table game spending.) Other research shows that when incentives are offered to players *during* a gaming venue visit, they can increase betting amounts once gambling has already begun (Narayanan & Manchanda, 2011).

IMPACT OF INCENTIVES ON PROBLEM GAMBLING RISK

While player incentives are common practice in the gaming industry, there has been some concern among researchers that they may encourage problem gambling behaviour, particularly for those who are at risk of—or who have already developed—gambling problems (Hing, 2005; Narayanan & Manchanda, 2011; Southwell, Boreham, & Laffan, 2008). For example, players may be tempted to gamble more than they would otherwise in order to receive certain offers or to reach the next tier level in their loyalty program, making it more difficult to control gambling activity (Greenstein, 2012; Hing, 2005; Narayanan & Manchanda, 2011; Southwell et al., 2008). Indeed, many individuals with gambling problems have admitted to feeling tempted to revisit the casino after losing large sums of money and subsequently receiving a comp (Greenstein, 2012). And a live-play study commissioned by Gambling Research Australia found that obtaining loyalty program points and rewards was an important predictor of the self-reported urge to continue playing past one's limit. For some players, getting program rewards was also associated with increased excitement and a loss of judgment over spending (Schottler, 2010).

The notion that player incentives may be particularly risky for those with gambling problems is supported by a study conducted with older adults who play electronic gaming machines (EGM) in Australia (Southwell et al., 2008). The study found that compared to players classified as low risk/non-problem gamblers, those classified as moderate risk/problem gamblers spent more time (33% vs. 14%) and money (27% vs. 11%) gambling when they participated in gaming venue promotions. In another study, player data taken over a two-year period from a U.S. gaming venue showed that over the course of the study, players defined as “addicted” gambled significantly more than those defined as “non-addicted” in response to marketing efforts such as comps. Moreover, while incentives offered to players during a gambling session increased betting amounts during that session for both addicted and non-addicted players, it also led to increased betting amounts in the *next session* for addicted gamblers only (Narayanan & Manchanda, 2011). Taken together, the findings of the latter study led the authors to conclude that comps may increase gambling involvement; may make it more difficult to control gambling

behaviour; and could potentially create problems for some players over the long term (Narayanan & Manchanda, 2011).

These conclusions are supported by surveys measuring attitudes towards incentives among players themselves. An Australian Clubs player survey, for instance, found that a significant number of gamblers feel that promotions encourage gambling—with approximately half of those surveyed believing that players have to be *in* the venue when prizes are announced in order to win contests, which could encourage players to stay there for longer and gamble more. Overall, many participants in the study viewed promotions as being against the “spirit” of responsible gambling, even if the gaming venue had implemented other responsible gambling measures (Hing, 2004). A subsequent study by the same author examined previously conducted interviews with Club players, and once again gaming venue promotions were a cause of concern: The excessive advertising of promotions, for example, was viewed as enticing players to gamble for longer (Hing, 2005). Other incentives—such as free weekly bus trips to and from the gaming venue—have also been viewed as inducements to gamble and potential contributors to problem gambling, especially among vulnerable populations such as seniors (Leaman, 2012).

Some researchers argue that offering inducements to gamble should be prohibited, as in New South Wales where hotels and clubs cannot offer free credits to current players, or as a means to encourage persons to become players (Hing, 2004; Gaming Machines Regulation, 2010). Others argue that loyalty programs should be eliminated entirely, particularly when a gambling provider has a monopoly, as these rewards only serve to encourage people to gamble more and are therefore not conducive to responsible gambling (Williams et al., 2012).

Player Incentive Safeguards

As researchers have recognized that player incentives can increase problem gambling risk, it has been suggested that in order to reduce that risk, incentives should be made safer for players (Independent Gambling Authority, 2012; Simpson, 2012). Some proposed ways to do this include conducting a risk analysis of players based on their loyalty card data, using loyalty card data to provide players with play history reports, and linking loyalty cards to pre-commitment. These are each described in more detail below.

USING LOYALTY CARD DATA TO ASSESS RISK

As already mentioned, loyalty programs allow gambling behaviour to be tracked when players insert their loyalty card into an EGM or present it at a gaming table. This allows the player to earn points and be eligible for certain rewards and other benefits. Some researchers have suggested that as a responsible gambling measure, players’ loyalty card data could be used to identify those at-risk of—or who have already developed—gambling problems. To increase the accuracy of this type of risk assessment, it has further been suggested that loyalty card data could be compared to “on the floor observations” (Independent Gambling Authority, 2012; Schellinck & Schrans, 2011). Potential drawbacks to risk assessments based on loyalty card data are: the difficulty in identifying the underlying reason for a player’s observed gambling behaviour; the inability to track gambling behaviour at other venues that do not use the same loyalty card; and the sharing of cards among players (Independent Gambling Authority, 2012; Schellinck & Schrans, 2011).

USING LOYALTY CARD DATA FOR PLAY HISTORY REPORTS

Another recommended RG safeguard for player incentives is to send past-month and past-12 month statements to all loyalty members that would inform them of their monthly gambling expenditures. Players could also be given normative feedback on the frequency and duration of their gambling, using the entire database of loyalty members to calculate percentages, averages, etc. (Simpson, 2012). This safeguard has already been implemented, to some extent, in Manitoba. In this province, *Club Card* members may request to receive *Gaming Activity Reports* which let them know how much they have spent on electronic gaming for a period of time of their choosing. Players can ask to receive one-time or ongoing reports by mail (at 3-, 6-, or 12-month intervals), or they can view reports immediately on-site at the Responsible Gaming Information Centre (RGIC). The reports are promoted to players through newsletters, the Internet, and at RGIC events. However, normative data is not provided to players in Manitoba at the present time. OLG's Winner's Circle Rewards members can access their play activity for January to December of the previous calendar year, online at any time. Full player history reports can be accessed via a freedom of information request.

LINKING LOYALTY CARDS TO PRE-COMMITMENT

Player incentives, as we have already seen, may be harmful to some players because they may gamble more than intended in order to obtain certain rewards or reach higher tier levels (Henley & Brading, 2009; Responsible Gambling Advocacy Centre, 2011; Williams, West, & Simpson, 2012). Thus, some researchers have suggested that loyalty programs should be linked to pre-commitment tools such as limit setting, so that once a player's limit has been reached, the ability to earn additional points could substantially be reduced or prohibited altogether. Players could also be rewarded for *responsible play*, rather than for the amount of play, and could receive rewards for using limit setting and other responsible gambling tools (Simpson, 2012; Williams et al., 2012). The main concern with linking pre-commitment to loyalty cards is that asking players to set limits on a card that also rewards them for gambling more seems counterintuitive. However, if implemented appropriately with the proper safeguards, some still view linking pre-commitment to loyalty cards as a potential way to reduce problem gambling risk (Simpson, 2012; Responsible Gambling Advocacy Centre, 2011).

Again, the above safeguard is already implemented in Manitoba. Specifically, members of Manitoba Liquor & Lotteries' loyalty program (*Club Card*) have the option of setting personal daily limits on their loyalty card for electronic gaming, such as the amount of money spent and lost, and the amount of time played. If a particular limit has been reached during play, players will get a message letting them know that the limit has been reached. If players continue to gamble, they will not accumulate any additional points for the remainder of the gaming day. The limits that the players set are site-specific due to the technology being used, meaning that players must set separate limits for each Manitoba Liquor & Lotteries venue (2 casinos and 1 gaming centre) in the province. The separate limits for each of the three venues require a separate enrolment and change process, which has limited the uptake of this feature. The limit-setting option is promoted to players on the loyalty program application form.

OTHER SUGGESTED SAFEGUARDS

In addition to these safeguards, people have suggested that in order to make loyalty programs safer, players should be able to earn points and rewards not just for the time and money they spend gambling, but for participating in *non-gambling* activities as well, such as shopping at the gaming venue, eating at its restaurants or purchasing tickets for shows. (Responsible Gambling Advocacy Centre, 2011). As

mentioned earlier on in this chapter, many loyalty programs allow this already, and some allow players to earn points for non-gambling activities done outside of the gaming venue.

Simpson (2012) also suggests that gaming staff be required to intervene when a loyalty member exceeds certain thresholds for frequency of gambling, duration of sessions, average bet size, and cumulative losses—arguing that loyalty programs currently track these measures to calculate player incentives anyway.

Specific RG Guidelines for Player Incentives

CANADA

No Canadian jurisdiction has developed RG guidelines specifically for player incentives. All jurisdictions do, though, have restrictions on advertising and marketing, which may include the advertising and marketing of loyalty programs and other player incentives. The most common advertising and marketing restrictions are: encouraging excessive or irresponsible play; encouraging people to play beyond their means; exaggerating the chances of winning; implying the certainty of financial reward; and depicting or appealing to minors.

The only other Canadian guidelines for player incentives found by RGC that could be interpreted as related to RG were the few included in the Alberta Gaming and Liquor Commission's (AGLC) *Casino Terms & Conditions and Operating Guidelines* for casino licensees. The guidelines contain a section entitled "Promotions," which stipulates the following:

- Casino facility licensees may not provide any promotional activity which offers increased payouts to reward frequent play;
- Free draws, contests, giveaways or similar promotions are allowed, provided that a person is not required to play table games or electronic games, or to remain in the facility, in order to receive a prize as a condition of participating in, or entering, the draw or other promotion;
- A casino facility licensee may require a person to be present at the *time of a draw* to receive a prize, but the time, date and place of the draw must be prominently posted within the casino facility;
- Player tracking and reward programs are allowed, but these programs must be submitted to the AGLC for approval prior to their implementation. The program submissions must include the following conditions:
 - The casino facility licensee must maintain a current record of players who are Voluntary Self-Exclusion (VSE) participants and exclude such participants from any casino marketing; and
 - The casino facility licensee must include a statement indicating that a patron may be removed from the player reward mailing list at the player's request.

Availability of Responsible Gambling Information

All Canadian jurisdictions have a policy commitment to ensure that players have access to RG information, though the availability and distribution of this information for loyalty program members varies from province to province. Some loyalty program application forms include RG information such as the provincial problem gambling helpline number and the gaming operator's RG tagline. Some RG information may also be embedded in the loyalty program's terms and conditions, such as the fact that players who are self-excluded cannot register for—or participate in—the program, and (where offered) play history reports are available for members upon request. In addition, gaming operators in several jurisdictions have branding standards and/or marketing policies that require the name and logo of their RG program, as well as the provincial problem gambling helpline number, to be included on all promotional materials.

Self-Exclusion

In Canada, all jurisdictions prohibit self-excluded players from registering for a loyalty program. They also prohibit current loyalty program members from continuing to participate in the program if they self-exclude from the venue. Exactly what happens to players' loyalty program membership when they sign up for self-exclusion varies across jurisdictions. In most provinces, their membership is cancelled, while in others, it is suspended until they reinstate. Any unredeemed loyalty points may be forfeited, paid out to players in cash, converted to gift certificates (e.g., for groceries), or given to players to redeem.

INTERNATIONAL

While RG guidelines for player incentives outside of Canada are few, some have been developed specifically for loyalty programs in Queensland, Australia. Tasmania has also developed some RG guidelines as part of its broad restrictions on player incentives. The guidelines of Queensland and Tasmania are presented in turn below.

Queensland

In 2007, the Queensland Treasury published the document, *Queensland Responsible Gambling Guidelines for Player Loyalty Programs*. The guidelines were developed jointly by representatives of the gaming industry, the community, and government, and were intended to be used in conjunction with the State's *Advertising and Promotions Guideline* to support the *Queensland Responsible Gambling Code of Practice*. In general, the guidelines state that loyalty programs should be advertised and promoted similarly to other gambling products and services. Thus, they should promote gambling as a form of leisure and entertainment, which can be enjoyable if engaged in responsibly. More specific components of the guidelines include:

- Advertising and promotion of loyalty programs within the community must comply with the *Queensland Responsible Gambling Advertising and Promotions Guideline*;
- Direct marketing of loyalty programs must comply with the *Direct Marketing Code of Practice* of the Australian Direct Marketing Association (ADMA);
- Loyalty program registration must include relevant information for players to make an informed decision about their participation in the program;

- Program features and functions must not offend prevailing community standards; must not target minors, disadvantaged, or vulnerable groups; and must not involve irresponsible trading practices by the gaming provider;
- Where practical, mechanisms to earn and redeem points must not focus exclusively on gambling activities where other activities are available at the gaming venue;
- Positive RG messages, where appropriate and possible, are to be incorporated into loyalty program features and functions; and
- Loyalty programs must comply with the Exclusions Framework (program material must not intentionally be sent to excluded players or to those who have requested such material not be sent; players can opt out of receiving program material by mail, etc.).

Tasmania

In 2012, the Tasmanian Gaming Commission developed new guidelines for player incentives such as promotions and loyalty programs (Tasmanian Gaming Commission, 2012). The guidelines include the following restrictions:

- Any inducement, regardless of the amount, must be redeemable for services other than just gambling;
- Players must not be offered free or discounted alcohol for consumption on the premises, or vouchers for the purchase of alcohol as an inducement or reward for gambling;
- Players must not be required to be at a prize draw, or on the premises at the time of a prize draw, in order to be eligible to win any prize that is greater than \$1,000 in value;
- Loyalty program members must be provided with a player activity statement annually, which lets them know the points or the equivalent, that have been accrued as a result of gambling;
- At least once per year, loyalty program members must be sent self-exclusion and RG information that states the name and telephone number of the Gambling Helpline; and
- Loyalty program members must not be offered rewards greater than \$10 which can be used for gambling purposes.

In 2013, the Tasmanian Gaming Commission developed additional guidelines, specifically for “Premium Player Programs”—a more exclusive loyalty program that requires an invitation to join and a certain level of gambling to remain in the program. RG components of the guidelines include:

- Prior to being admitted to the loyalty program, potential members must state in writing that they are not currently excluded from gambling anywhere in Australia and that they have control over their gambling. If players do not meet either of these requirements, they cannot be admitted to the program;

- If a player has previously self-excluded from gambling anywhere in Australia, a Responsible Gambling Manager must provide evidence showing that the player is currently in control of their gambling before membership to the program is granted;
- Each player's loyalty program membership must be reviewed every six months. If a player is identified as not being in control of their gambling, their membership must not be renewed;
- Members must be provided with a play activity statement every six months showing, in dollars, the amount of all expenditures on gambling during the statement period;
- The operator must conduct information sessions on gambling, harm minimization, and problem gambling for staff and program members at least every six months;
- There must be a system in place to monitor members for signs of a potential gambling problem and to report any findings to the Responsible Gambling Manager. The system must include a range of indicators and measures of gambling-related behaviour, such as play activity levels, session length, visit frequency, and ATM usage. The system must also include a framework for appropriate response and intervention;
- RG messages must be included on promotional material, such as discounts and cash rebate offers; and
- Direct marketing to members that encourages them to increase their typical level of gambling expenditure in order to receive additional rewards/benefits is prohibited.

Summary

In summary, the following key points emerged from the literature and policy reviews:

- There are many categories of rewards that a player may receive, such as: cash/cashback, free play, accommodations, entertainment, free or discounted services, merchandise, food and beverage, and air fare.
- Rewards can be obtained by participating in a loyalty program, via promotions, or through comps.
- Loyalty programs are voluntary, and are designed to attract new players as well as maintain the current player base. As loyalty program members, players are able to collect points and redeem them for particular rewards. Point accrual is generally tracked through the use of a loyalty card.
- Loyalty programs often operate on a tier-based system. A player's tier is generally determined through point accumulation, with higher tiers equating to greater rewards for the player. The amount that a player must spend to obtain enough points to move up a tier varies across jurisdictions. Generally, players must collect a particular amount of points annually to remain in a specific tier.
- Incentives are marketed via venue signage, mail, email, gaming venue hosts, social networking sites, billboards, and text messages. In Canada, players must provide consent for the venue to contact them for marketing purposes.

- Player incentives are designed to impact the player's loyalty and thus increase visit frequency to the venue. Players generally respond positively to special treatment, positive employee interactions, rewards, recognition, and superior customer service. Player incentives have also been shown to increase player expenditure at the gaming venue.
- There is concern regarding the impact of player incentives on problem gambling risk. There is some evidence suggesting that players, particularly at-risk players or players with a gambling problem, may be tempted to continue to gamble because of player incentives.
- Researchers have proposed implementing player incentive safeguards to help mitigate the risk of problem gambling. Examples included: using loyalty card data to assess risk; using loyalty card data to provide play history reports; linking loyalty cards to pre-commitment tools; allowing players to earn points for participating in non-gambling activities; and requiring staff to intervene when a player exceeds particular thresholds for gambling frequency or duration, bet size, or cumulative losses.
- Currently, RG-specific guidelines for player incentives are scarce. Some guidelines currently in place in Canada involve the provision of RG information via the application forms and on marketing materials, and prohibiting self-excluded persons from participating in the loyalty program.
- Internationally, Queensland and Tasmania have developed RG guidelines specifically for player incentives.

CHAPTER 2: PLAYER FOCUS GROUP RESULTS

A focus group with individuals in treatment for gambling problems was conducted in order to explore their experiences with player incentives and any suggestions they have for making incentives safer for players. The group was led by a treatment provider, and consisted of 8 participants (5 males and 3 females). The entire discussion was recorded and subsequently transcribed.

The main findings of the focus group, organized by topic, are presented below.

History of Gambling Problems

The focus group began by asking participants, in a general way, what forms of gambling were associated with the development of their gambling problems. Almost all participants said that slot machines were—although a few said table games—and all said they associated the *frequency* of their gambling with the development of problems. For the most part, participants said they gambled at gaming venues in Ontario, with the exception of two who said they also gambled out of province.

Introduction to Player Incentives

When asked about their experience with player incentives, all focus group participants said they had been members of a loyalty program, but had developed problems with gambling *before* they signed up for it. Generally, participants said they became aware of the program by seeing others with loyalty cards or by word of mouth. A few said they were approached by gaming venue staff who offered them information about the program while they were at gaming tables or after they had won a large prize playing slots. Participants said that at first, they were hesitant to sign up for the loyalty program, and only considered it seriously when they became more involved with gambling and felt that it was a way to recoup money they had lost. Some comments were:

“I started playing without the card and eventually as I became more involved in gambling, I signed up for the card. I thought, ‘Well, since I’m putting in so much money, this is a way to get some of my money back’.”

“I noticed people with cards, and it was after my first year that I thought ‘Gee, I should sign up’.”

“At first, I didn’t want any information about it. Then by the time you blow the amount of money that I did, it was like, ‘Wait a second, I think I could start getting something from this’.”

“My first year was just a social thing; my second year was half-social; and in my third year, I was there to beat the machines, so I participated in incentive programs.”

“I saw people with all these rewards and kept hearing about meals and other types of things they were getting [with the card], so I thought I would sign up for it.”

Understanding How Rewards Are Earned

When participants were asked how they earned the rewards they received, they said the rewards were based on the amount of money they spent gambling at a particular venue and the specific tier level they had reached in their loyalty program. One participant summed it up by saying, “*The more you spend, the*

more you get, and the better you are rated.” All participants reported that over time, they moved up to higher tier levels that offered greater rewards. Examples of some of the rewards that participants received were:

- Cashback
- Vouchers for free play and meals
- Free valet parking, hotel rooms, and tickets to concerts or sporting events
- Free entries into slot tournaments and draws (e.g., for trips, cars)
- Invitations to participate in sporting events (e.g., golf)
- Gifts for themselves and family members (e.g., luggage, wine glasses, watches, leather jackets)

Appeal of Rewards

When asked what it felt like to earn rewards, participants responded with, *“You feel like a big shot”* and *“It makes you feel important.”* Generally, receiving rewards seemed to affect participants’ sense of self in a positive way, with many saying it was an ego boost which encouraged them to gamble more in order to reach higher tier levels. One participant said, *“It became an internal contest.”* Another one added, *“If I get to this level, I get more free meals, more free rooms, more free shows and someone greets me and treats me nice.”*

While participants generally felt proud to earn rewards, once family and friends started to become concerned about their gambling, many felt embarrassed about receiving some rewards—especially gifts. Thus, they reported hiding them because *“...they had the gaming venue’s logo on them and there was no hiding where the gifts came from.”* One participant added, *“I would go get the gift and when you brought it home it would identify that you were there that day...it would show you are getting something for free and let’s face it, you don’t get much for free these days without doing something to get it.”*

Marketing of Incentives

When focus group participants were asked how the gaming venue let them know about the rewards they could earn, they most often said via regular mail, email and on-site at the venue. Depending on the tier level they had reached in their loyalty program, some participants also said they received more personalized attention and were notified about incentives by phone.

In terms of the frequency of marketing communications they received, participants said they received more after they won a large jackpot, and there was a marked increase in communications when they moved to higher tier levels in their loyalty program. As one participant said, *“I definitely got more correspondence when I went from the lower level to the middle level—by email, mail and phone calls.”*

When participants decided to reduce their gambling or stop it altogether, many said they contacted the gaming venue and asked them to stop sending promotional material. While some participants subsequently stopped receiving the material, a few continued to—despite numerous requests to have them stopped. For at least one participant, this caused a relapse: *“My relapse occurred as a result of an*

offer that was sent to me. I thought I would just go in, redeem it, and leave. But once you are there, they don't just give it to you, you need to put it in the machine and after that it all goes back to where I started."

For participants who had self-excluded from the gaming venue, all promotional materials were discontinued and any unredeemed loyalty points they had accrued were forfeited. Once their self-exclusion period ended, however, they automatically began receiving promotional material again, even though they had not specifically requested it. One participant stated, *"It was exactly a year after my self-exclusion date that I started receiving emails again."* For another participant who had self-excluded, promotional mailings were discontinued, but they received phone calls offering them incentives to return back to the gaming venue.

Impact of Incentives on Gambling Behaviour

When focus group participants were asked whether they felt their gambling had changed as a result of participating in player incentives, all participants answered "yes." For the majority, it was the frequency of their gambling that had changed. As one participant said, *"For me, the frequency dramatically increased with the cards and offers. It got you in there more often because now there was an added incentive. I was guaranteed something."* In addition to impacting frequency of play, many participants said that some of the conditions placed on rewards encouraged them to not only stay longer at the gaming venue, but to spend more money gambling than intended while there. Some examples of these conditions were:

- Free play vouchers given to players while they were at the venue could only be redeemed several hours later (e.g., 1 AM – 6 AM);
- Free play vouchers given to players could only be redeemed after players first bet a certain amount of their own money gambling; and
- Multiple free play vouchers could only be redeemed within a single, 24-hour period.

As well, some participants said that the conditions placed on rewards affected their intention to go home after suffering a significant loss. As one participant commented, *"Even if I was planning to go home, if I had lost my money at 11:00 but I had a voucher that was only valid after midnight, I'm still staying there until after midnight."* Another participant added, *"If you have a voucher like that, not only will you stay and eat, but you're going to gamble again because at midnight you can access more cash on your card—it's a new banking day."*

Participants noted that some of the marketing communications they received also fueled them to gamble more, such as: *"You only have 80 more points to become a Gold member, and you have to do that by December 1st."* Participants felt that these types of communications encouraged them to gamble more because they wanted to attain the rewards offered at the higher tier levels.

Overall, many participants felt that incentives made it more difficult for them to manage their gambling, both by enticing them to go to the gaming venue to receive or redeem the rewards, and by encouraging them to gamble once they were there. As noted by the participants:

- "Had those promotions not been given to me, I would not have had any reason to go to the casino."

- “I was getting pretty high incentives to go there. Even if I had no money to go, I would go just for that incentive but I would basically clean out my account while I was there.”
- “For us, it’s like waving a bottle of alcohol in front of the nose of a person who is trying to stop drinking. That’s the way I saw it and it’s almost irresistible to say no to it.”
- “It drove me back up there to get the money. I thought, ‘OK, go get the money and I’ll have a little to live on for 3 days’.”

Many focus group participants also said that receiving financial incentives in particular made it seem like they had less of a problem. Some participants also felt that they could win back their losses with the gaming venues’ money. Participants said:

“It softens the blow.”

“Makes you feel like you’re getting something back. Maybe I gave X amount of dollars, but I got a percentage that they gave back to me.”

“Maybe I’ll get lucky and if I go back there, I can chase that loss with their money now as opposed to putting in more money of my own.”

Other participants felt that financial incentives gave them a sense of hope. As one participant said, “It made me feel better because I could go. I knew I shouldn’t go—I had bills to pay—but I was thinking, ‘I’m going to go and just play with that bonus and hope that it keeps me going’.”

When Incentives Cross the Line

When participants were asked, “*What is crossing the line in terms of gaming venues going too far with their promotions?*,” many said that sending promotional materials to players who have self-excluded was crossing the line, especially when the players had yet to reinstate after their self-exclusion term was up. As one participant said, “*It brings it back to mind, when you are trying to stop.*” Other ways promotions were considered to cross the line was when—as mentioned earlier—they included certain conditions that encouraged the player to gamble more, such as the promotion could only be redeemed several hours after the player had received it (e.g., from 1 AM – 6 AM). A few participants felt gaming venues crossed the line simply by not balancing the promotion of incentives with making players aware of the risks involved and that help is available if needed.

Ways to Make Incentives Safer

Near the end of the focus group, participants were asked whether they had any recommendations for making incentives safer for players. In addition to saying that some of the conditions placed on incentives discussed above should be changed, participants said that the venue should educate and inform players. When asked what type of information players should be given, some participants felt that it would be good for players to know exactly how much money is required to be spent on gambling in order to earn a certain number of points. For example, “*They should tell you up front that for every \$20 you spend, you get X amount of points.*” Participants said that this would allow players to make an informed decision about participating in loyalty programs. Other suggestions included:

- Give players information on the risks involved when they sign up for a loyalty program;

- Offer players an optional responsible gambling course as part of the loyalty program;
- Provide players with monthly statements that break down their expenditures;
- Use loyalty card data to identify players who may have a gambling problem, offer them help and/or reduce the number of incentives offered to them; and
- Send players communications with focused RG information, such as the signs of a gambling problem, the type of help that is available, etc.

In addition to the above, participants said that when gaming venues send out promotional material that also contains the provincial problem gambling helpline number, the information should be made more prominent, so that it does not get overlooked by someone who may need assistance. Participants made this recommendation because one of them had said that when they were looking for the helpline number in a promotional mailing they received, they could not find it easily—it was buried deep within the communication in a smaller-sized font than other text. Other participants said they never even noticed the helpline number on any promotional material they received. In general, participants felt that they would have benefitted from education about available help resources, as well as the signs of a gambling problem.

Summary

In summary, the following key points emerged from the focus group:

- Participants may have had concerns with their gambling prior to signing up for a loyalty card. All participants associated the frequency of gambling with the development of their gambling-related problems.
- All participants had participated in a loyalty program only after they became more involved in gambling and for some they felt it was a way to recoup losses.
- For many participants receiving promotions and comps was an ego boost that encouraged them to play more in order to reach higher levels.
- The majority of participants felt that their gambling frequency increased as a result of receiving promotions or comps.
- Participants felt that the monetary promotions would distort their perception of their gambling problems. Many felt that they could win back their losses with the gaming venue's money.
- Many participants requested to unsubscribe from promotional mailing lists once they began to have concerns about their gambling. While the majority of participants no longer received mailings, others continued to do so. Those who self-excluded noticed an immediate stop to promotional materials, until their self-exclusion period had ended.
- Participants felt that promotional materials cross the line when they are sent to self-excluded people during their ban or immediately upon ending their ban without their consent. For others, crossing the line was as simple as not having a balance between promotions and information that makes players aware that help is available if needed.

- Participants felt it is important to know the actual value of the points earned for a certain amount spent gambling. Other recommendations included: providing information on risk as part of the loyalty program sign-up; focused mailings (i.e., help availability, signs of a gambling problem); and using the loyalty card to identify gamblers who may have a potential gambling problem and offer them help or reduce promotions they receive.

CHAPTER 3: EXPERT FORUM RESULTS

The expert forum was held December 8 to 10, 2013 in Toronto, Ontario. Attendees came from across North America and Australia and included gaming providers, regulators, treatment counselors, researchers, marketing experts, and individuals who have sought help for a gambling problem. The forum was moderated by a professional facilitator and consisted of presentations, panel discussions, participant polling, and large group conversations.

The main purpose of the forum was to provide attendees with a good understanding of how player incentives work; what makes them so appealing to players; how they might impact gambling behaviour and problem gambling risk; when they “cross the line;” and what opportunities exist to make them safer for players. The findings of the forum as they pertain to each of these areas are presented in sequence below.

How Player Incentives Work

The forum opened with the presentation, *Player Incentives: What Exactly Are They?*, which provided a thorough background of the different types of incentives as well as the rationale, from a marketing perspective, for tailoring incentives to players. Much of the material presented in this session has already been discussed in Chapter 2 of this report and will not be repeated here. There was, however, some new information. For instance, during the presentation the distinction was made between two categories of incentives: *rewards*—which are a direct result of past gambling behaviour, and *offers*—which aim to change future gambling behaviour. Rewards are proportionate to the amount spent and players are made aware of what is required (i.e., how many points are needed) in order to receive them. In contrast, players are not made aware of how offers are distributed, and—unlike rewards—offers are not necessarily given to the player that gambles the most. Rather, they are often given to the least loyal player in an attempt to increase patronage. Therefore, from the venue’s perspective, offers are the most important type of incentive. The presentation also highlighted that offers of cash and free play are particularly popular among players.

The presentation provided insight into the extent of marketing initiatives, from the venue’s perspective. The average casino spends approximately \$0.25 of every dollar on marketing efforts, and the vast majority of its marketing is through direct mail, with the average loyalty program member receiving approximately 100 pieces of mail per year. The presenter also explained that though social media is a common marketing tool among other industries, casinos still tend to send incentives via mail as the majority of casino patrons do not use social media, and the benefits of sending mail-outs outweigh their costs.

When tailoring incentives to players, the venue will consider several factors, including how much players spends per visit, the frequency of their visits, and their distance from the venue, to name a few.

Three Canadian Examples

In the session, *Player Incentives: A Canadian Perspective*, three presentations provided an overview of how gaming incentive programs operate in Manitoba, Ontario, and Quebec. Highlights of each presentation are provided below.

Manitoba

The first presentation described Manitoba Liquor & Lotteries' *Club Card* rewards program, which allows players to earn points through electronic games, table games, and bingo. The program offers both play-based, as well as non-play based, promotions. Members are also offered discounts on food and beverage, entertainment, parking, and the gift shop. Points cannot be redeemed for free play, however, free play is offered on occasion (e.g., upon loyalty program sign-up, on birthdays, and when members have not visited the venue recently). The loyalty program does not work on a tier-based system—increased spend does not lead to additional benefits for players. However, players are tiered internally to help target incentives and offers. Additionally, a small percentage of members receive personal attention from a venue host on-site, and they receive invitations to special events and dinners.

Ontario

The second presentation in this session described Caesars Windsor's *Total Rewards* loyalty program. The program has four tiers, and a player's tier level is determined by the number of points accumulated within a calendar year. Membership to the fourth tier is quite selective, as it requires an invitation. Reward points can be earned through slot machines and table games, and also through non-gaming means such as dining, entertainment, and accommodation. Points can be redeemed for both gaming and non-gaming rewards. The *Total Rewards* marketing strategy has three branches, through which players can earn the following categories of incentives:

1. Loyalty/Brand: These are tier-based incentives that are communicated and guaranteed to members when they sign up for the *Total Rewards* program.
2. Database marketing: These are incentives that are communicated but not promised to members. They are offers tailored to the individual—based on their loyalty card data—and are designed to increase “profitable behaviour.”
3. Discretionary comps: These are incentives that are neither widely communicated nor promised to members. They are administered individually at the discretion of Caesars Windsor. For example, a casino host might offer a member free play, accommodation, dining or show tickets.

Quebec

The final presentation in this session described Loto-Quebec's *Casino Privilèges Club* loyalty program. It is a tier-based program with three status levels plus a “VIP Select” level that requires an invitation to join. Benefits of the loyalty program vary depending on tier level, and players can earn points through slot machines, table games, and keno. Points earned through slot machines can be redeemed for cashback, while points earned through table games and keno can be redeemed for cashable comps or services. Major promotions take place roughly three to four times per year, through which a player can usually earn additional entries to contests with more play, up to a particular limit. Offers are determined by a player's visit frequency and expenditures.

Psychological Appeal of Player Incentives

During the forum, a few presenters and panelists discussed what it is about player incentives that might make them so appealing—both to players in general as well as to those who have experienced gambling-related problems. In the session, *Do Player Incentives Work?*, some of the factors that make incentives appealing include:

1. **Psychological:** A player could be made to feel important by the incentive and the personal attention that often comes with it, thus feeding the person's ego;
2. **Economic:** The value of the incentive might make the player believe it is helping to offset the cost of gambling losses, travel, accommodation, etc.; and
3. **Convenience:** Having the host arrange logistics of the trip (e.g., travel, accommodation, food, and entertainment) saves players from having to make these arrangements themselves.

During the panel discussion, *Do Player Incentives Increase Risk? What Players and Treatment Providers Say*, treatment providers said that their clients have told them that loyalty programs and incentives make them feel special, like they are being recognized. Their clients have also said that there is a sense of security knowing that they will be taken care of at the venue.

According to the former players on the panel, offers for free hotel stays used to make them feel like a "big shot." To describe incentives, they used words and phrases such as "recognition," "anticipation," and "fuel," and described their feelings towards the casino as "a companion" and "an escape."⁴ One panelist said that different things pull different people in; it is the "offer" piece that is enticing.

Player Incentive Impacts

During the forum, several presenters discussed some of the possible impacts of player incentives on gambling revenue, behaviour, and problem gambling risk.

GAMING REVENUE

The session, *Do Player Incentives Work?*, looked at the impact of incentives on gaming revenue. The presenter noted that it is often difficult to measure revenue impact as many factors can influence it. Nevertheless, there is some research that shows many incentives are expensive to execute and often do not cover the costs to operate them. Research has also shown that more valuable players ("high rollers") expect more valuable incentives, and thus while these players may bring in higher revenue for the casino, the cost of incentives for them is greater and, as a result, the profit margins are often narrower compared to incentives for regular players.

GAMBLING BEHAVIOUR AND PROBLEM GAMBLING RISK

The session, *Do Player Incentives Increase Risk? What the Evidence Says*, presented a study that examined the effect of comps on gambling behaviour and whether they differentially affect players who display "addictive" behaviour.⁵ For the purposes of the study, an "addiction" was considered present when a player's play/bet amount increased over time. Using a casino's loyalty card data, the study looked at the relationship between the value of comps awarded to players and their sequence of

⁴ In a different session, a presenter shared with the audience that a focus group participant once referred to the casino as her "country club" where she wanted everyone to recognize her.

⁵ This study, by Narayanan and Manchanda (2011), has already been briefly discussed in Chapter 1. More detail is provided here.

decisions (such as the decision to play given previous play and bet amounts). The findings suggested that comps do affect gambling behaviour, such that when there was an increase in comps, there was a small increase in both short-term and long-term betting. Moreover, when players were given comps, there was a reduction in the number of days between their trips to the casino. For players who displayed addictive behaviour, the response to the comps (i.e., bet amount and number of plays during a trip) was twice that of the average player. Based on the data, it appears that comps do have an effect; while small for the average player, it is larger for those who meet the above definition of addiction. It should be kept in mind, however, that while the study suggests that comps can get players to spend more, it does not necessarily show that comps *cause* them to engage in addictive behaviour.

During the panel discussion, *Do Player Incentives Increase Risk? What Players and Treatment Providers Say*, treatment providers and former players who have sought help for a gambling problem said that in their opinion, incentives can influence gambling behaviour because they bring players back to the casino repeatedly under the guise of “free things.” Former players said they used to think that they could just visit the casino, redeem their comp, and leave, but this was not the case. Vouchers that had two parts—such as a meal that could be redeemed at one time and then another meal that could only be redeemed several hours later (e.g., in the morning)—had players waiting for hours so that they could redeem the second portion of the comp. Cash rebates were also particularly enticing for those with a gambling problem, because when the player was low on funds, they would wait for the rebates so they could go back and play, to “keep them in action.”

One panelist commented that to someone who has nothing, even a \$20 rebate is a big deal and can drive behaviour. Indeed, another panelist said they used to go as far as to re-arrange their weekly or monthly schedules based on when they knew they would be receiving comps. Former players also said they sometimes felt that when they received a comp, it was as if they were being told “it’s okay” they were spending so much. A few members of the audience added that comps could entice players to go back to the casino and chase losses, and that it is not necessarily the biggest rewards that are the most powerful. There was some agreement among panelists that for an at-risk player who has not self-excluded, receiving incentives could “tip the scales.”

IMPACT OF INCENTIVES IN GENERAL ON FORUM PARTICIPANTS

When forum participants were asked how any reward programs they participate in (e.g., grocery, drugstore, etc.) influence their *own* behaviour—the majority said that the programs affect their behaviour either “a little” or “somewhat,” depending on the particular product involved and how frequently they use it. Additionally, participants said that incentive programs in general likely influence a consumer’s decision about which competitor to do business with.

In discussing some possible similarities and differences between gaming and other incentive programs, a large majority of participants felt that gaming loyalty programs probably affect behaviour the same way as other programs. Some participants, however, pointed out that gaming loyalty programs may have more of an effect because they carry the potential for immediate rewards and because cashback and free play offers can lead to a cycle where gambling leads to more gambling. Participants also mentioned that with most other incentive programs, members purchase products they were likely to buy anyway (e.g., groceries, flights for business).

When Incentives Cross the Line

Throughout the forum, there was much discussion among participants about whether—and under what circumstances—incentives “cross the line.” In one of the polling and large group discussions, an overwhelming majority of participants said that there are definitely situations where incentives cross the line and provided the following examples: when incentives encourage players to over-extend themselves; when they target vulnerable players; when hosts are encouraged to offer incentives to players who they know or suspect have a problem; when a player opts out from receiving incentives but still receives them; and when the casino personally calls the player to offer incentives.

During the panel discussion, *Do Player Incentives Increase Risk? What Players and Treatment Providers Say*, panelists said that crossing the line would be offering incentives that require players to stay until after midnight to redeem a portion of their comp—partly because the player would have cleared the daily ATM limit (since it is a new day), which could lead to over-spending. When panelists were asked where to draw the line between who should and should not receive incentives, some suggested that incentives should not be given to players with a gambling problem. Others, however, said that it is too difficult to identify these individuals, while some said it was obvious when walking around the casino.

A few participants said that gaming operators should be able to use the technology they have and the wealth of data they collect on players to identify those at risk, as well as to limit and/or track the impact of incentives on high-risk players and perhaps use the information to help them. Some operators and marketing experts in the room, however, noted that gaming operators, at least in the U.S., are usually hesitant to use player data from loyalty programs for this purpose because the data set is incomplete and cannot be used to make assumptions about players. For example, without information on the player’s income and assets they cannot assume that the player is playing beyond their means. They feel it is not their right to pass judgment, and are concerned they may be sued if they identify a player as being “at risk.” As well, even if they are 95% confident that a player has a problem, there is still the chance that they could be wrong. A participant commented that a player who plays \$5 one day, \$10 the next, and continues to increase their bets, could just be a player that “bought a product and liked it”; the operator cannot make the assumption that the player is chasing losses.

Incentive Safeguards

A large part of the forum focused on safeguards for player incentives—which ones currently exist, what their limitations are, how they might be improved, and what opportunities there are for new safeguards. These topics are each discussed in turn below.

NON-GAMING

The presentation, *Incentive Safeguards in Gaming and Non-Gaming Industries*, began with some discussion of incentive safeguards in a few risk-inherent industries other than gaming (i.e., tobacco, alcohol, pharmaceutical). The purpose was to see what, if any, lessons could be learned from these industries for the gaming industry. In the case of tobacco, there is federal legislation in Canada forbidding the marketing of tobacco products. Offering gifts, bonuses, premiums, or cash rebates on tobacco purchases is also banned. In the case of alcohol and prescription drugs, consumers (depending on the jurisdiction) are able to earn loyalty points for these purchases. However, the points earned are part of a much larger loyalty program (e.g., Air Miles, Shoppers Optimum) and, as such, points can be earned not just for alcohol and prescription drugs at liquor outlets and drugstores, respectively, but for other products

at a wide number of retailers. Additionally, the points earned through these programs usually cannot be redeemed to purchase more alcohol or prescription drugs.

GAMING

In the session discussed earlier on in this chapter, *Player Incentives: A Canadian Perspective*, the three individuals who presented some details of their player incentive programs also shared with the audience some information about the responsible gambling (RG) components of these programs. In Manitoba, their player loyalty program offers RG features such as gaming activity reports and limit setting tools, and the marketing department works to ensure communications are not sent to self-excluded players. A Loyalty Program Governance Committee also guides the program and its incentives,⁶ and all promotions must be approved by the marketing, corporate communications & social responsibility, and internal audit departments. For the loyalty program at Caesars Windsor in Ontario, marketing materials sent to players must include two standard disclaimers: one with the company's RG tagline and the provincial problem gambling helpline number; the other stating that self-excluded players cannot participate in any promotions or offers. Caesars Windsor also removes self-excluded players from marketing lists so that they no longer receive promotional materials. In Quebec, when players self-exclude from casinos, they are automatically removed from the promotional mailing list. Once players complete their self-exclusion term, a year must pass before they can request to be added back to the list. In addition, all marketing initiatives must be approved by the legal department.

The presentation, *Queensland Responsible Gambling Guidelines for Player Loyalty Programs*, provided an overview of the loyalty program guidelines currently in place in Queensland, Australia. As discussed earlier in this report, the guidelines were developed collectively by representatives from the gaming industry, the community and government. Examples of some of the guidelines include:

- § When players register for a loyalty program, they must be provided with relevant information to make informed decisions about participating in the program;
- § Reward point accrual and redemption systems must not focus solely on gambling activities where there are other activities to promote;
- § RG messages must be incorporated into advertising and promotions, where appropriate and possible;
- § Player loyalty programs must comply with the Exclusions Framework. For example, promotional materials should not be sent to excluded players, and the terms of the loyalty program should restrict excluded players from participating in any gambling-related components of the program;
- § Player loyalty programs cannot offend prevailing community standards. Nor can they be directed at minors or at vulnerable or disadvantaged groups.

In addition to the above guidelines, gaming operators in Queensland have been educated on “acceptable” and “unacceptable” loyalty program practices. Examples of some acceptable practices would be allowing players to earn points for meal and drink purchases, and allowing points to be

⁶ The committee includes representation from the following departments: Marketing, Finance, Gaming Operations, Communications & Social Responsibility, Entertainment & Hospitality, and e-gaming.

redeemed for non-gaming amenities such as restaurants, hotels, and shows. Examples of practices that are considered unacceptable are: allowing points to be earned through gambling only; allowing points to be redeemed for gambling only; and allowing marketing materials to depict unlikely winning scenarios.

CARD-BASED INITIATIVES

The session, *Emerging Approaches to Responsible Gambling Incentives*, consisted of two presentations that discussed card-based RG initiatives tied to incentives. The first presentation, *Nova Scotia's Experience with Responsible Gaming Based Incentives*, described the mandatory card-play system of the Nova Scotia Provincial Lotteries and Casino Corporation, called *My-Play*. Used for their Video Lottery Terminals (VLTs), the system offers players self-monitoring tools such as the ability to set limits and access play history. Research on the system following implementation showed that uptake of the tools was minimal and many players reduced their play or stopped playing entirely, as evidenced by a 17% decline in revenue. While five dollar gift cards were offered to players as an incentive to use the system, this amount was apparently not enough to mitigate players' hesitation in using the system. Player feedback indicated that players felt the system was tracking their play and that it was meant for individuals with gambling problems; they did not see value in the tools for themselves. Achieving retailer buy-in also proved to be difficult, as retailers viewed the system as the cause of the 17% revenue decline. While retailers were also offered incentives—a bi-annual payment for administering the system and \$10 for every full enrollment at their site—the incentives were insufficient to secure buy-in. In September 2014, the government of Nova Scotia decided to terminate the *My-Play* program.

The second presentation in this session looked at the *PlaySmart* system currently being used on gaming machines in parts of Australia. It is a voluntary pre-commitment system available to users of the *J Card*, associated with the loyalty program offered at Jackpot Club venues. The system offers breaks in play and provides on-screen warnings when players reach their self-selected time and money limits. Also, when a limit is reached, it is communicated to all other participating venues (70 in South Australia and 4 in Queensland). Research conducted on the system found that among *J Card* holders who used their card in the last three months, 6% enacted the *PlaySmart* tools. However, the system used to require players to opt *in* or activate the tools. When this was changed to require players to opt *out* or deactivate the tools instead, there was a spike in usage. While players saw the ability to set expenditure limits as the main benefit of the *PlaySmart* system, they identified the following limitations: Many players were unaware of the full range of tools available; many players could not recall receiving reminder messages about their limits; and there was confusion due to the wide range of choices. Because the Jackpot Club does not offer comps, direct mailings, or tiers, it does not have the same level of uptake of loyalty programs in other jurisdictions. It is thought that this might have contributed to the relatively low uptake of *PlaySmart* tools.

Forum Participant Opinion about Player Incentive RG

Forum participants were asked throughout the event to give their opinions on a variety of topics via polling and discussion, though the discussions were mainly centered on RG initiatives for player incentives. The participants' opinions on this topic are presented below.

LINKING LOYALTY CARDS TO RG FEATURES

During one of the participant polling and discussion sessions, when asked, "Should loyalty cards be linked to RG features (e.g., limit setting)?," an overwhelming majority of participants answered "yes" or

“yes, with conditions.” Some conditions mentioned were that there should be appropriate rewards for using RG features; players should be advised upfront what their information is being used for; and players should be allowed to opt in to the features if they want to use them.

Participants were also asked, “Since gamblers have to ask for an incentive card, would it be a good thing to have an active prevention tool (e.g., a video explaining the risks) before they get their card?” Responses to this question were split fairly evenly, with just over half the respondents answering “yes,” and the remainder answering “no.” Those who answered no said it was because there were already many ways for players to be informed about RG. They also said that players just want to finish the transaction and it may be more effective if the risks were brought up at a different time.

Participants were also asked, “Since setting limits are the key features used by gamblers, would it be simpler to make these options available without having to own a card?” In response, two-thirds of participants answered, “yes.” During the following discussion, however, it was pointed out that without a card, the limit-setting options would only apply to one machine at a time and, as such, players would just go to another machine if they reached the limits set at their current machine. In response, some participants commented that having limit setting at one machine, while not ideal, is still better than nothing. Others questioned whether limit setting is in fact the most important tool for players—or if it is instead the ability to review one’s spend, which encourages budgeting and money management.

INCREASING USE OF RG FEATURES

When forum participants were asked for possible ways to increase player motivation to access and use any RG features that might be associated with loyalty cards, participants provided the following suggestions:

- Address the motivators and de-motivators for both players and retailers, as retailers can also be a barrier to the uptake of RG tools;
- Change the language from a negative “problem gambling” focus to a more positive “taking control” focus;
- Use the term “player tools” rather than “RG tools;”
- Create value for players so they *want* to use the tools;
- Provide an active prevention message after a win, because players will be more receptive when they are in a good mood; and
- Have a renewal system for loyalty program membership that includes a review of the player’s gaming history, which would give players an opportunity to evaluate their spend. A survey at the time of renewal asking players to guess how much they *think* they are spending and comparing that to their *actual* spend might also be helpful.

When asked how the industry can responsibly incentivize the use of RG tools, participants suggested:

- Give incentives for things that are not on the gaming floor;
- Normalize the use of RG tools; and

- Look at what has been done for other high-risk products.

RESTRICTING INCENTIVES

In discussing whether restrictions should be placed on incentives for some players or in certain situations, the majority of participants said that restrictions should be imposed on players who were previously self-excluded. When asked whether restrictions should be placed on players who gaming staff *suspect* might have a gambling problem, there was a fairly even split among participants in their responses. There was also some debate as to whether staff can reliably identify such players. When participants were asked, “Should marketing/advertising exclude high-risk gamblers from some forms of promotion?,” approximately half of the participants answered “yes,” while the remainder gave mixed responses such as “no,” “needs more research,” “it depends,” and “don’t know.” When asked, “What would most likely lead to a change in casino marketing practices in your jurisdiction?,” just over one third of respondents said “legislated change to marketing regulations,” while the remainder said “public media pressure,” “research indicating that current practices harm some customers,” “marketing research that suggests a change in strategy,” and “casino RG guidelines.”

Because operators often say that they offer incentives to keep up with the competition—especially when one gaming venue is in close proximity to another—forum participants were asked whether operators that have a monopoly should offer loyalty programs. Some responses were that “monopolies don’t really exist”—both because of the availability of online gaming, and because the gaming industry is in competition with other entertainment options. Additionally, some participants said that having a loyalty program allows the operator to better understand its customer.

OTHER INITIATIVES THAT MIGHT HELP PLAYERS

When asked what other types of initiatives might help players, audience members suggested:

- Provide players with an account of their spending, something akin to a bank statement;
- Space out rebates so that they are monthly (rather than weekly). This would give players more time away from the venue between rebates and thus more time to consider whether they may have a problem with gambling; and
- Increase messaging on just how much spend is required to acquire a particular number of points/to move up to the next tier level, etc.

Responsible Gambling Best Practices

Near the end of the forum, participants were asked to list—with others at their table—what they thought might be some RG best practices for player incentives. Some of the suggestions given were already mentioned throughout the forum, while others were new:

- Have the loyalty program apply to all business channels (e.g., casino, lottery, VLTs, etc.);
- Make player cards mandatory;
- Offer non-gaming incentives both inside and outside the venue (e.g., food, beverage, merchandise);

- Be more clear about the true cost of earning incentives;
- Provide players with their play history and offer incentives for accessing it;
- Provide options for setting limits and reward players for sticking to them;
- Prohibit the redemption of points for cashback or free play;
- Offer some incentives that do not require players to go back to the gaming venue to redeem them;
- Offer rewards for using loyalty card RG tools;
- Do not call RG tools, “RG tools;”
- Use the loyalty program to deliver player education (e.g., helpline number);
- Link rewards to messaging about responsible play;
- Have players watch a video when they apply for a loyalty card that explains the risks associated with earning incentives;
- Allow players to opt in and out of communications, and allow them to determine how much contact they want from the venue;
- Require more demographic information when players apply for their loyalty card so that the data can be used to help identify high-risk players;
- Implement player identification algorithms. Identify high-risk players and do not offer them incentives;
- Conduct customer surveys on gambling behaviour;
- Develop an expert-reviewed framework to assess incentives and objectively determine if they pose a risk to vulnerable players.

Summary

In summary, the following key points emerged from the forum:

- Various factors may make incentives appealing to players, such as: they make the player feel important and recognized; they may appear to offset the cost of gambling (e.g., losses, travel costs); and the convenience of a host arranging the details of the trip to the venue.
- Research suggests that comps do have an effect on gambling behaviour, with possibly a more pronounced effect for players who display addictive behaviour.
- Participants felt that some incentives “cross the line” particularly: when they encourage players to over-extend themselves or stay past midnight; when hosts offer incentives to players they suspect may have a problem; when incentives target vulnerable players; when a player receives

incentives after choosing to opt out; and when the casino makes personal calls to offer incentives.

- Safeguards currently in place for loyalty programs include: offering play history reports and limit setting tools; ensuring marketing materials are not sent to self-excluded players; requiring RG and/or problem gambling help information (e.g., helpline number) to be on marketing materials; providing players with RG information at the time of loyalty program registration; and reward point accrual and redemption not being exclusive to gambling activities.
- When implementing a card-based initiative, operators need to demonstrate the value to players in utilizing the RG tools, tools should be introduced gradually to facilitate player understanding, and retailer buy-in is essential. Other features of card-based initiatives mentioned were: having limit-setting tools that apply to all participating venues; and not requiring players to opt in, but rather, having the option to opt out if they so choose.
- Participants agreed that limit setting tools should be made available. Suggestions as to what extent and with which conditions varied among participants.
- Some suggestions to increase utilization of RG features were: address retailer concerns; use more positive language; create value for the players; and implement a membership renewal system for loyalty programs that includes a review of the player's play history.

CHAPTER 4: RESPONSIBLE GAMBLING BEST PRACTICES FOR PLAYER INCENTIVES

While the details vary, player incentives operate in similar ways across jurisdictions and individual gaming venues. Rewards come in the form of cash, free play, accommodation, entertainment, free or discounted services, merchandise, food and beverage and travel. Though some incentives are available to all patrons, most rewards are exclusive to members of the venue's loyalty program. For this reason, the best practices for player incentives identified in this report focus on loyalty programs.

While there is no direct evidence that incentives and loyalty programs create gambling problems, there is evidence that they can heighten problem gambling behaviours and that they have a strong appeal for some people who are at risk of, or have already developed, a gambling problem.

Concern about the appeal of incentives to people with gambling related problems has led some to call for the prohibition of loyalty programs. These observers argue that incentives, bonuses and loyalty rewards act as powerful drivers for vulnerable patrons by encouraging them to increase their gambling when they should be cutting back or stopping altogether.

Others point to the opportunities presented by loyalty programs to be used for non-marketing purposes, such as to communicate safety information to patrons, to track behaviours, to identify potential and emerging problems ("red flag" behaviours), and to initiate actions to mitigate potential problems. Because registering for a loyalty program gives the venue the ability to communicate with the player (e.g., by email or direct mail), and provides both players and venue staff access to the player's analytics (e.g., play history including time and money spent), venues can provide better information to members than is available to players who are not members.

On balance, player loyalty programs—as long as they are not seen exclusively as a marketing tool—have some potential benefits from a player protection perspective. That assumes, however, that loyalty programs and other incentives actively build in the tools and analytics that enable increased player information and safeguards. Some opportunities identified in this project for building in these tools and analytics are presented below.

Promote Informed Decision Making

There are many opportunities to use player data to assist patrons in making informed decisions. These include:

- Beginning with the registration process itself, taking regular opportunities to provide players with information about the realistic chances of winning and losing, where to get help, and the benefits of limits setting. Also providing some of the many other safety messages associated with well-designed responsible gambling programs. Such information might be provided in any number of ways using the communication tools available to gaming providers. It would likely mean incorporating RG information in regular circulations, as well as creating some information distributions exclusively focused on RG topics.
- Providing players with accurate and easy-to-access information about the links between the amounts they spend and the rewards they earn.

- Informing players that greater rewards are related to greater spending and that it is risky to view rewards, reaching a higher tier, or receiving greater staff attention as a status symbol or a measure of greater self-worth.
- Providing loyalty program members with activity reports that let them know their play history over a period of time of their choosing, such as the past month or year. Make the receiving of reports the default option with the capability to choose frequency or turn off the activity.
- Providing normative feedback on their play history, using the entire database of loyalty members to calculate percentages and averages.

Ensuring Marketing Incorporates an RG Perspective

- Beyond the provision of good consumer information, there are also ways that loyalty programs and incentives can be managed in a way which reduces the risk of gambling problems. These include:
- Ensuring that any information contained in promotional communications and materials complies with existing RG guidelines for advertising and marketing, and does not imply that participating in loyalty programs or other incentives increases the player's chances of winning.
- Permitting players to have only one card for the same loyalty program membership.
- Incorporating RG information in promotional communications and materials with adequate prominence relative to other messaging.
- Having an annual renewal for loyalty program membership that gives players an opportunity to review their past-year gambling activity with gaming venue staff.
- When players register for a loyalty program, requiring them to *opt in* explicitly to each form of marketing communication (e.g., mail, email, phone, texts) they wish to receive.
- Once they become loyalty members, allowing players to opt out easily of some, or all, forms of marketing communication at any time.

Optimizing RG in the Earning and Redemption of Rewards

- Allowing players to earn points and rewards not just for the time and money they spend gambling, but for participating in non-gambling activities as well, both inside and outside of the gaming venue.
- Encouraging players to set personal gambling limits on their loyalty card. If players reach one of the limits they have set, have a message tell them that they have reached a limit. If players still continue to gamble, don't allow them to accrue any additional loyalty points.
- Rewarding players with (non-gambling) incentives for using the self-limiting tools.

- Allowing players to redeem their loyalty points for non-gambling rewards both inside and outside of the gaming venue (e.g., merchandise, food).
- Allowing players to participate in contests without having to be at the gaming venue when prizes are announced.
- Allowing a cooling off period after players have lost a large sum of money before offering any incentive to gamble further. Once they have left the premises, allow a reasonable amount of time to pass before offering players an incentive to return to the venue.
- Ensuring that alcohol is not used as an inducement or reward for gambling. [Note that in most Canadian provinces, complimentary alcohol service is prohibited.]

Supporting At-Risk Players and Self-Excluded People

Some players will gamble in a manner that exhibits “red flag” behaviours which suggest a potential problem and which trigger observations and responses from venue staff. These at-risk players warrant special attention from the perspective of rewards and incentives, as do self-excluded people.

Both groups would benefit from the following provisions:

AT-RISK PLAYERS

- Using loyalty card data, in combination with staff observations and other documentation, to identify red flag behaviours that may indicate a potential gambling problem.
- Putting a customer service protocol in place to identify when and how staff will take action when a loyalty member exceeds red flag thresholds for frequency of gambling, duration of sessions, average bet size, and cumulative losses.
- Having an escalating process in place to offer red-flagged players assistance, education, as well as the option of easily removing themselves from future incentives or marketing communications. (The same system would also be used for those players exhibiting red flag behaviours who are not loyalty club members.)
- Discontinuing rewards that, in order to be redeemed, require the player to be in the venue for extended periods of time—particularly if it means the player can access more cash (because, for instance, a new banking day has begun).
- Discontinuing discretionary rewards designed to promote longer stays.

SELF-EXCLUDED PEOPLE

- When players signs up for self-exclusion, immediately removing their name from all marketing contact lists.
- Paying out any unredeemed points and canceling the loyalty program membership immediately when a player self-excludes.

- Once players' self-exclusion period has ended, requiring reinstated players to reapply for loyalty club membership and to opt in explicitly to each form of marketing communication they want to receive from the venue.

In summary, there is great opportunity to use loyalty cards to promote informed decision making, as well as to reduce risk by ensuring marketing incorporates an RG perspective; optimizing RG in the earning and redemption of rewards; and having special exemptions and protocols for those identified as at-risk or who have self-excluded. Future developments in the use of loyalty cards to inform and assist those at risk will further inform best practices in the promotion of safer gambling and the prevention of problem gambling.

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INSIGHT 2013



CENTRE FOR THE
ADVANCEMENT OF
BEST PRACTICES

**Stakeholder Feedback on August 9, 2021 Draft
Language and Small Business Economic Impact
Statement**



Confederated Tribes and Bands
of the Yakama Nation

Established by the
Treaty of June 9, 1855

August 16, 2021

Michelle Rancour
Assistant to Tribal Liaison
Safety Team Member CFD Chair
WA State Gambling Commission

Subject: Proposed Self-Exclusion Rules for Review.

Dear Michelle Rancour:

On behalf of the Confederated Tribes of the Yakama Nation, we request the following sentence to be the last sentence, and added to the final page 13 of "Chapter 230-23 WAC Self-Exclusion"

(Add new last sentence to the last paragraph):

If a federally recognized Indian Tribe or tribal enterprise that own gambling operations or facilities with class III gaming compacts do voluntarily participate in the self-exclusion program, the tribal-state compacts may allow for the mutual sharing of self-exclusion lists.

The original wording currently reads as follows:

WAC 230-23-035 Sharing the self-exclusion list. We may enter into tribal-state compacts with federally recognized Indian tribes or tribal enterprises that own gambling operations or facilities with Class III gaming compacts to voluntarily participate in the self-exclusion program. The tribal-state compacts may allow for the mutual sharing of self-exclusion lists.

We do not have any further comments at this time. Thank you.

Sincerely,

Delano Saluskin
Tribal Council Chairman
Confederated Tribes of the Yakama Nation

WSGC Self-Exclusion Rules for Review.

August 13, 2021

Page 2

CC: Law and Order Committee Members
Yakama Nation Gaming Commissioners, Executive Director, Licensing Manager, Ashlie Laydon
Rules Coordinator | Legal and Records Division

From: [Pat Hosier](#)
To: [Griffin, Tina \(GMB\)](#)
Cc: [Robbins, Rashida \(GMB\)](#); [Chinn, John \(GMB\)](#); [Schulte, Richard \(GMB\)](#); [Nicks, Jim \(GMB\)](#); [Harris, Mark \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#); [David Hill](#); [Mai, Mail \(GMB\)](#)
Subject: Re: FW: Self exclusion
Date: Tuesday, August 17, 2021 10:23:25 AM

External Email

Hi Tina,
Thank you for the quick response. That fully addressed my concerns. I've forwarded it to David Hill and Mail Mai, and unless they have any additional questions, I'm fine with the rule as written.
Thanks again,
Pat

On Tue, Aug 17, 2021 at 7:20 AM Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov> wrote:

Hi Pat,

Thank you for your feedback on the self-exclusion rules.

To address your questions below,

1. WAC 230-23-020 "(4) Player club memberships and accounts will be closed and ***all accumulated points immediately redeemed for nongaming items as the licensee's policy allows*** at the licensed location the participant initially enrolls for self-exclusion."

Like most minicasinos, we only offer food and cigarettes for points. Some guests have thousands of points. It isn't feasible to give a self excluding guest \$1000 in food and/or cigarettes. Can we have a written internal policy that all points are null and void the moment a player chooses to self exclude?

A statement in your internal policies and player club membership or account rules or restrictions that all points are null and void upon self-excluding is allowed.

2. WAC 230-23-030(8)(b) "... All accumulated points MAY be immediately redeemed by the participant for nongaming items as the licensee's policy allows at the licensed location..."

This section includes the key word MAY as opposed to the first case where it seems we are required to redeem all points. We prefer this wording as it allows us to limit the redemption to a maximum amount, or none at all if that is our policy.

So in both cases, can we have an internal policy limiting the amount that *may* be redeemed should a guest elect to self exclude?

Yes, addressing the limitations for redeeming accumulated player membership or account points can be done in your policies and your player membership or account rules and restrictions.

3. WAC 230-23-030 (8)(h) in the same rule: "All money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities are confiscated under RCW 9.46.071.

Should a player gamble and not give their id or join a player's club play for several days before their identity is discovered, does the casino then have to try to discover how much the player lost during their combined visits and all of that forwarded to problem gambling, or is it just the play on the day in which the the identity was discovered that is subject to this rule? I think it's a given that some persons will attempt to play somewhere they are not known after self excluding at a different casino. Many persons are already hesitant to give their ID when gambling at all casinos. How can we know whether random guests are on the self-exclusion list? It doesn't seem right that we should be punished for the knowingly evasive actions of someone intentionally violating their own agreement.

The intent is for the HBCR licensee to confiscate all chips and/or winnings due to the self-excluded individual immediately upon discovering their identity while at the facility. If you discover their identity after they have left, there is nothing to confiscate.

4. WAC 230-23-025(3) The licensee *MAY* release the names and identifying information participants on the self-exclusion list to contracted service providers that provide check cashing, cash advances, marketing, automated teller machines, and other financial services.

From this wording I assume that this is not a requirement?

You are correct. It is not a requirement that you provide the list of self-excluded participants to your contractual providers that provide check cashing, cash advances, marketing, automated teller machines or other financial services. The HBCR licensee will be responsible for services accessed during their self-exclusion period if they are not notified.

Please let me know if you have further questions.

Sincerely,

Tina Griffin

Interim Director

Washington State Gambling Commission

P.O. Box 42400

Olympia, WA 98504

360-507-3456

tina.griffin@wsgc.wa.gov



From: Pat Hosier <pat.hosier@tilgaming.com>

Sent: Monday, August 16, 2021 2:35 PM

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

Cc: Mai, Mail (GMB) <mail.mai@tilgaming.com>; David Hill

<davidallenhill1@gmail.com>; Scott Bryson <scott.bryson@tilgaming.com>; Ben Brown

<ben.brown@tilgaming.com>; Eric Fenchel <eric.fenchel@tilgaming.com>; Jeff Hirai

<jeff.hirai@tilgaming.com>

Subject: Self exclusion

External Email

Hi Ashlie,

I did not receive this email until one of my GMs sent it to me. I've completed a review and I hope I'm not submitting this too late. I'm listing my concerns below.

WAC 230-23-020

"(4) Player club memberships and accounts will be closed and *all accumulated points immediately redeemed for nongaming items as the licensee's policy allows* at the licensed location the participant initially enrolls for self-exclusion."

Like most minicasinios, we only offer food and cigarettes for points. Some guests have thousands of points. It isn't feasible to give a self excluding guest \$1000 in food and/or cigarettes. Can we have a written internal policy that all points are null and void the moment a player chooses to self exclude?

Also and on the same topic, later under WAC 230-23-030:

(8)(b) "... All accumulated points MAY be immediately redeemed by the participant for nongaming items as the licensee's policy allows at the licensed location..."

This section includes the key word MAY as opposed to the first case where it seems we are required to redeem all points. We prefer this wording as it allows us to limit the redemption to a maximum amount, or none at all if that is our policy.

So in both cases, can we have an internal policy limiting the amount that *may* be redeemed should a guest elect to self exclude?

(8)(h) in the same rule: "All money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities are confiscated under RCW 9.46.071.

Should a player gamble and not give their id or join a player's club play for several days before their identity is discovered, does the casino then have to try to discover how much the player lost during their combined visits and all of that forwarded to problem gambling, or is it just the play on the day in which the the identity was discovered that is subject to this rule? I think it's a given that some persons will attempt to play somewhere they are not known after self excluding at a different casino. Many persons are already hesitant to give their ID when gambling at all casinos. How can we know whether random guests are on the self-exclusion list? It doesn't seem right that we should be punished for the knowingly evasive actions of someone intentionally violating their own agreement.

Finally,

WAC 230-23-025

(3) The licensee *MAY* release the names and identifying information participants on the self-exclusion list to contracted service providers that provide check cashing, cash advances, marketing, automated teller machines, and other financial services.

From this wording I assume that this is not a requirement?

Thank you, and I apologize for being late. Could you please include me in all such future notices relating to gaming rules and I will try to be more timely with my input?

Regards,

--

Pat Hosier

Regional Manager

TIL Gaming and Fortune Casinos

Work: 425.228.3700 x-102

Cell: 206.300.3439

--

Pat Hosier

Regional Manager

TIL Gaming and Fortune Casinos

Work: 425.228.3700 x-102

Cell: 206.300.3439

From: [Waldron, Roxane \(HCA\)](#)
To: [Laydon, Ashlie \(GMB\)](#)
Cc: [Griffin, Tina \(GMB\)](#); [Panek, Kara M. \(HCA\)](#); [Waterland, Keri L \(HCA\)](#)
Subject: RE: Draft self-exclusion rules -- feedback from State Problem Gambling Program Manager (Roxane Waldron)
Date: Friday, August 13, 2021 5:01:04 PM
Attachments: [image006.png](#)
[image007.png](#)
[image008.png](#)
[image009.png](#)
[image010.png](#)
[image013.png](#)
[image015.png](#)
[OTS-3154.2.docx](#)

Hi Ashlie,

Thanks for the opportunity to give comment on the draft self-exclusion rules for the Gambling Commission.

As the State Problem Gambling Program Mgr., I plan to raise my concerns as part of the discussion with the Gambling Commission at the meeting this Fall where these rules will be introduced for approval.

Please note: In 'cc,' I'm including Tina Griffin (Interim Director, Gambling Commission), Keri Waterland (Director, Division of Behavioral Health and Recovery/HCA) and my supervisor, Kara Panek (Manager, Adult Program and Involuntary Treatment Team) so they are also aware of my concerns.

My concerns:

A. Forfeited monies should be coming to the State PG Program only (WAC 230-23-030)—

Issue: Current language reads that forfeited funds should be sent by vendors to:

- 1) the *problem gambling account created in [RCW 41.05.751](#) (note error in draft—says 42, not 41);* OR
- 2) *A charitable or nonprofit organization that provides problem gambling and gambling disorder services or increases awareness about problem gambling and gambling disorder.*

Recommendation: Consider changing wording to require that all forfeited funds from commercial (non-Tribal) vendors be directed to the State Problem Gambling Program.

Here my suggested wording as an example (items in red added or struck out)—submitted in comments for an earlier draft:

- a. All money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities outlined in this Chapter are forfeited under RCW 9.46.071, in which the licensee will:
 1. Issue a check for the same monetary value within three business days after collecting

or refusing to pay any winnings from gambling or chips in the possession of a participant on the self-exclusion list as follows

- A. For licensees subject to the state business and occupation tax for problem gambling, forfeited funds must be transferred to the problem gambling account created in RCW 41.05.751 RCW42.05.751 , and/or
- B. For Tribal venues, forfeited funds can be used for that Tribe's problem gambling program, and/or donated to a charitable or nonprofit organization that provides problem gambling services or increases awareness about problem gambling, and/or ; the state problem gambling account created by RCW 41.05.751; and

Q--Why should this change be made?

- As a unit within a state agency (Health Care Authority), the **State PG Program already has contract monitoring and financial auditing as part of the established oversight for both revenue and expenditures**. This way, the public can have confidence that the people's money is being used appropriately and there is a paper trail in case of concerns. There's no required auditing for funds sent to non-profits or charitable organizations.
- Leaving it open for commercial vendors to decide where they're sending the funding means that the **State Problem Gambling Program will be essentially be 'vying' for this additional funding as a state agency with other non-state organizations (such as the Evergreen Council on Problem Gambling and Recovery Café)**. It wouldn't be appropriate for the State Program Manager to reach out and 'lobby' commercial vendors for forfeited funds, whereas non-profit organizations don't have that restriction. This creates an inequitable situation.
- Due to WAC 230-15-710, which covers a progressive jackpot game will be removed from play (due to business closure for example), licensees have several options for dispersal of any remaining jackpot prizes, including 'Donate the money to a nonprofit gambling organization in Washington State.' As a result, WSGC confirms that funds have been distributed to the Evergreen Council on Problem Gambling as recently as Fall 2020. However, the State Problem Gambling Program is not a possible recipient, so has received none of the forfeited progressive jackpot game prizes, leaving the State PG Program in a disadvantaged position. **Having the State PG Program as the recipient for the self-exclusion forfeited funds would make this a more level playing field, given that the State Program provides the majority of funding for treatment not covered by private insurance or self-pay.**
- With the rise of sports wagering at Tribal casinos and all the illegal (unregulated and untaxed) online gambling in our State, **the State PG Program is projected to need more treatment funding—already this biennium the program has an anticipated gap in funding of \$150,000 for treatment**. While some argue that the Tribal casinos operating legal sports wagering will have additional funding for problem gambling services, please note that none of that funding is required to be contributed to the State PG Program. This matters because not all individuals who gamble at Tribal casinos choose to seek treatment for problem gambling at Tribal BH programs (despite being eligible for services at most), either due to geography or personal preference. **As a low-barrier program, the State PG Program seeks to provide services to all eligible residents of WA State, regardless of where individuals seek treatment, and needs to be fully funded to meet these needs, especially for populations that are known to be at higher risk for problem gambling (Black/African American, Asian, Older Adults, Veterans, Youth, College-Aged, etc.).**

B. Online registration for self-exclusion isn't available (WAC 230-23-010)--

Recommendation: Consider providing an online sign-up option so people can do

register from the comfort of their homes (especially given the pandemic). In the draft rules, completing the process online for self-exclusion is not currently an option. An individual will be able to get the form but will then have to either 1) come in to the office in Lacey, WA or 2) download the form, print it out, get it notarized, then mail in their notarized form (any of those steps can be a barrier to completing the process). By contrast, the [Pennsylvania](#) process for registering for the state self-exclusion program can be [completed entirely online](#) by creating a log in and then uploading identifying documents.

C. In the draft rules, there appear to be NO consequences for WA State commercial vendors if they don't adhere to Licensee responsibilities per the new rules (WAC 230-23-030)—

Issue: Unlike some other states with self-exclusion programs, there are no explicitly-stated consequences to incentivize commercial vendors to follow the new self-exclusion rules (instead based on the 'honor system'). For example, if it's discovered that a commercial card room has allowed an individual to gamble at their facility despite that person being on the State self-exclusion list, will there be a fine? Or if an employee disburses the self-exclusion list to an unauthorized party? In order for vendors to recognize that they need to train staff and hold them to these rules, I believe that **Recommendation: The Gambling Commission should consider including language about how non-Tribal venues will be held responsible, such as a fine and/or additional consequences when they are re-licensed.** (example: ['\\$5,000 Fine Levied Against PA Casino for Self-Exclusion Violation'](#))

Thanks for considering my recommendations.

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*
Pronouns: She/Her/Hers
roxane.waldron@hca.wa.gov

Washington State
Health Care Authority

www.hca.wa.gov



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

Sent: Monday, August 9, 2021 5:18 PM

Cc: Rancour, Michelle (GMB) <michelle.rancour@wsgc.wa.gov>; Lies, Julie (GMB) <julie.lies@wsgc.wa.gov>; Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>; Chinn, John (GMB) <john.chinn@wsgc.wa.gov>

Subject: Draft self-exclusion rules

Good afternoon,

Attached you will find draft self-exclusion rules for your review. Please provide feedback to me at ashlie.laydon@wsgc.wa.gov by noon on Monday, August 16, 2021.

Along with the draft rules, you will find a draft small business economic impact statement (SBEIS). To comply with the Regulatory Fairness Act, a state agency must determine whether proposed rules will impose more than “minor” costs. “Minor cost” is defined in [RCW 19.85.020\(2\)](#). A minimum of \$100 of costs triggers the completion of an SBEIS. Feedback on the draft SBEIS would also be appreciated by noon on Monday, August 16, 2021.

Please 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

☎ (360) 486-3473 | ✉ ashlie.laydon@wsgc.wa.gov



From: [Tim Woolsey](#)
To: [Laydon, Ashlie \(GMB\)](#)
Cc: [Devon Tiam](#); [Leonard Forsman](#); [Ramirez, Rion](#); [Armstrong, James \(GMB\)](#); [Lies, Julie \(GMB\)](#); [Griffin, Tina \(GMB\)](#)
Subject: Suquamish Tribe Comment on proposed Self-Exclusion Regulations WAC-230-23
Date: Wednesday, August 11, 2021 3:20:02 PM

External Email

Dear WSGC:

On behalf of the Suquamish Tribe of the Port Madison Indian Reservation, I submit the following comment on the proposed WAC-230-23 Self Exclusion.

In proposed section WAC-230-23-035, we suggest the removal of all references to the word 'compact' and instead use the word 'agreement'. The word compact unnecessarily will likely trigger IGRA and corresponding federal regulations and BIA approval. It also may unnecessarily require a long, tedious compact negotiation for a relatively minor cooperative information sharing. This could discourage tribes from engaging in the state system.

Instead, allowing for "agreements" with tribes for participation in the state system will be more straightforward and not implicate IGRA. WSGC and tribal gaming regulatory agencies regularly enter into MOUs covering relatively minor matters. Self-exclusion information sharing seems to meet this low threshold for MOU-type agreements.

Moreover, if an individual tribe did want to use the compacting process to negotiate that tribe's engagement in the state system, nothing would prohibit that tribe and the State from doing so. As the section is currently written, however, WSGC would only be permitted to engage tribes in the system through compacting.

The Suquamish Tribe takes problem gambling very seriously, and Chairman Forsman has been actively engaged in problem gambling with WSGC for some time. The Suquamish Tribe, therefore, seeks a statewide self-exclusion program that easily facilitates the Tribes' engagement.

Thank you,

Tim Woolsey
Office of the Tribal Attorney
Suquamish Tribe
P.O. Box 498
Suquamish, WA 98392
360-394-8493
443-850-7937 (cell)

From: [Vernon West](#)
To: [Laydon, Ashlie \(GMB\)](#)
Cc: [Rancour, Michelle \(GMB\)](#); [Lies, Julie \(GMB\)](#); [Griffin, Tina \(GMB\)](#); [Chinn, John \(GMB\)](#)
Subject: Re: Draft self-exclusion rules
Date: Tuesday, August 10, 2021 12:46:40 PM
Attachments: [image005.png](#)
[image003.png](#)

External Email

Mr. Laydon,

I would not be in favor of the self-exclusion rules unless they applied equally to commercial cardrooms and Tribal Casinos.

Vern Westerdahl

Managing Partner

Roxbury Lanes & Casino

On Monday, August 9, 2021, 05:17:52 PM PDT, Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov> wrote:

Good afternoon,

Attached you will find draft self-exclusion rules for your review. Please provide feedback to me at ashlie.laydon@wsgc.wa.gov by noon on Monday, August 16, 2021.

Along with the draft rules, you will find a draft small business economic impact statement (SBEIS). To comply with the Regulatory Fairness Act, a state agency must determine whether proposed rules will impose more than "minor" costs. "Minor cost" is defined in [RCW 19.85.020\(2\)](#). A minimum of \$100 of costs triggers the completion of an SBEIS. Feedback on the draft SBEIS would also be appreciated by noon on Monday, August 16, 2021.

Please 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

☎ (360) 486-3473 | ✉ ashlie.laydon@wsgc.wa.gov



Small Business Economic Impact Statement

Chapter 230-23 WAC

Rules Concerning
Implementation of a
Statewide Self-
Exclusion Program

August 6, 2021

SECTION 1:

Describe the proposed rule, including: a brief history of the issue; an explanation of why the proposed rule is needed; and a brief description of the probable compliance requirements and the kinds of professional services that a small business is likely to need in order to comply with the proposed rule.

The legislature recognizes that some individuals in this state have a gambling problem or gambling disorder. Because the state promotes and regulates gambling through the activities of the state lottery commission, the Washington horse racing commission, and the Washington state gambling commission, the state has the responsibility to continue to provide resources for the support of services for gambling disorders (RCW 9.46.071).

Currently, each house-banked card room licensee is required by RCW 9.46.071(1)(b) to post informational gambling disorder signs including a toll-free hotline number for individuals with a gambling disorder. Additionally, several house-banked card room licensees operate their own in-house self-exclusion programs.

On April 30, 2020, Governor Inslee signed HB 1302, which charges the Gambling Commission with developing rules for a centralized, statewide self-exclusion program. HB 1302 also requires a process for all federally recognized Indian tribes or tribal enterprises that own gambling operations or facilities with Class III gaming compacts to voluntarily participate in the self-exclusion program.

Research suggests that self-exclusion programs allowing individuals to exclude themselves from multiple gambling locations using a single process have a higher rate of success. A centralized, statewide program administered by the Commission, rather than the existing individual operator-level approach, will be more accessible to individuals with gambling disorders and allow them to exclude themselves from multiple facilities without having to enter multiple facilities.

The proposed chapter, Chapter 230-23 WAC, Self-exclusion, creates a program that will allow an individual to voluntarily request to be self-excluded from each house-banked card room licensee and participating tribal gaming facility at a single location rather than having to go to each location to enroll in an individual program like they are currently doing.

In order to comply with the new chapter, house-banked card room game licensees will need to transition from their individual operator-level programs to the centralized, statewide program administered by the Gambling Commission. This will entail:

- (1) Making the Self-Exclusion Request Form, developed and provided by the Gambling Commission, available to all patrons.
- (2) Accepting forms from individuals interested in enrolling in the program, including:
 - (a) Reviewing forms for completeness,
 - (b) Verifying the individual's identity either with a driver's license or other acceptable valid form of identification,
 - (c) Verifying the individual has selected a period of time of enrollment for the self-exclusion program, and

- (d) Verifying the individual has signed the form, and
 - (e) Taking a photograph of the individual, showing only their head and shoulders, to submit with the Self-Exclusion Request Form.
- (3) Forwarding the completed form to the Gambling Commission within 72 hours of receiving it either by email, regular mail, or fax.
- (4) Providing the individual with information and resources for treatment of gambling disorders upon enrollment.
- (5) Designating an employee(s) to be the contact person for the purposes of the self-exclusion program, including:
- (a) Receipt and maintenance of the self-exclusion list. This includes retrieving an updated list from Secure Access Washington (SAW) within 48 hours of receiving notification from us that an updated list exists;
 - (b) Submitting self-exclusion procedures to the Gambling Commission, and
 - (c) Communicating with the Gambling Commission in regard to the self-exclusion program.
- (6) Taking steps to remove individuals who breach their enrollment in the self-exclusion program by entering a house-banked card room upon discovery, including:
- (a) Immediately removing the individual from the premises,
 - (b) Confiscating all money and things of value, such as gaming chips, obtained or owed to the individual as a result of prohibited wagers, and
 - (c) Notifying the Gambling Commission of the breach within 72 hours.
- (7) Training all new employees within 3 days of hire, and annually retraining all employees who directly interact with gaming patrons on:
- (a) Information concerning the nature of problem gambling,
 - (b) Procedures for requesting self-exclusion, and
 - (c) How to assist patrons in obtaining information about gambling disorder treatment programs.
- (8) Notifying individuals already participating in existing operator-level programs that the centralized, statewide self-exclusion program exists within 3 days of the effective date of Chapter 230-23 WAC, including:
- (a) Making the Self-Exclusion Request Form available to them, and
 - (b) Providing information on how they can participate.
- (9) Establishing procedures for our review and approval, including:
- (a) Utilizing player tracking systems and all other electronic means, including checking all taxable patron winnings against the self-exclusion list, to assist in determining whether or not an individual who is enrolled in the program has engaged in gambling activities,
 - (b) Closing player club memberships and/or accounts for individuals enrolled in the

program,

(c) Denying check cashing privileges, player club memberships, complementary goods and services, and similar privileges and/or benefits to individuals enrolled in the program,

(d) Ensuring individuals enrolled in the program do not receive targeted mailings, telemarketing promotions, player club materials, or any other promotional materials related to gaming,

(e) Verifying patrons who win jackpot prizes are not individuals enrolled in the program before paying out prizes,

(f) Ensuring individuals enrolled in the program are not gambling at their establishment,

(g) Ensuring the confidentiality of individuals enrolled in the program, and

(h) Collecting moneys or things of value obtained or owed to individuals enrolled in the program as a result of participating in a gambling activity, including:

(i) Issuing a check for the same monetary value obtained or owed within 3 business days to either the problem gambling account created in RCW 41.05.751 and/or a charitable or nonprofit organization that provides services or increases awareness about gambling disorders, and

(ii) Documenting and retaining for one year:

(A) Any surveillance evidence identifying the date, time, and amount of money or things of value confiscated, the name and identity verification of the individual enrolled in the program, and

(B) A copy of the canceled check remitting the confiscated funds.

Licensees will likely make the transition to the statewide self-exclusion program using existing staff and resources and are unlikely to contract with any professional services in order to comply with the proposed rules.

SECTION 2:

Identify which businesses are required to comply with the proposed rule using the North American Industry Classification System (NAICS) codes and what the minor cost thresholds are.

Table A: Calculation of Minor Cost Thresholds.

NAICS Code	NAICS Business Description	# of businesses in WA*	Minor Cost Threshold = 1% of Average Annual Payroll**	Minor Cost Threshold = .3% of Average Annual Receipts***
713210	Casinos; except casino hotels	4	\$51,811.19	\$29,565.63
713290	Other gambling industries	39	\$33,690.22	\$10,126.91

*Number taken from 2018 Washington State Employment Security Department

(<https://esd.wa.gov/labormarketinfo/report-library>)

**2018 dataset taken from United States Bureau of Labor Statistics.

***2018 dataset taken from Washington State Department of Revenue.

NAICS Code Descriptions:

713210- Casinos; except casino hotels: This industry comprises establishments primarily engaged in operating gambling facilities that offer table wagering games along with other gambling activities, such as slot machines, sports betting, and off-track betting. These establishments often provide food and beverage services.

713290- Other gambling industries: This industry comprises establishments primarily engaged in operating gambling facilities (except casinos or casino hotels) or providing gambling services. This industry includes card rooms.

NAICS Code Descriptions were obtained from the NAICS Association. NAICS Code 713210 includes house-banked card rooms that offer off-track betting, which explains why average annual payroll and average annual receipts are higher than NAICS Code 713290 which includes all the other house-banked card rooms in the state, which do not offer off-track betting.

This new chapter, chapter 230-23 WAC, will apply to all house-banked card rooms licensed in the state of Washington, to conduct gambling activities. Currently, there are 43 house-banked card rooms licensed with the Gambling Commission. "Minor cost" is defined in RCW 19.85.020(2) as a cost per business that is less than one percent of annual payroll or the greater of either 0.3 percent of annual revenue or \$100. For the purposes of this small business economic impact statement, the NAICS code 713290 data will be used as this code represents the majority of house-banked card rooms in the state (those that do not offer off-track betting). Therefore, the minor cost threshold to be used will be between \$10,126.91 and \$33,690.22.

SECTION 3:

Analyze the probable cost of compliance. Identify the probable costs to comply with the proposed rule, including: cost of equipment, supplies, labor, professional services and increased administrative costs; and whether compliance with the proposed rule will cause businesses to lose sales or revenue.

This new chapter, chapter 230-23 WAC, will allow an individual to voluntarily request to be self-excluded from each house-banked card room licensee and participating tribal gaming facility at a single location. Outlined below is the probable cost incurred by house-banked card room licensees to comply with the requirements of the new chapter.

An individual interested in enrolling in the program can do so by completing a Self-Exclusion Request Form and submitting it to either a house-banked card room licensee or to the Gambling Commission. The Self-Exclusion Request Form will be made available on the Gambling Commission's website. House-banked card room licensees will be responsible for printing off forms for individuals interested in enrolling the program. It is assumed that each licensee has a computer, printer, and internet access available to them as this is a common business practice. The cost of paper has been estimated at \$10.69 per ream.

Each licensee will be responsible for mailing a copy of the Self-Exclusion Request Form to individuals already enrolled in operator-level self-exclusion programs. As of December 2019, there were 1,118 individuals enrolled in self-exclusion programs around the state. Self-Exclusion Request Forms can be sent via regular mail. The cost of a stamp to mail an envelope via regular mail is \$0.55. The cost of envelopes has been estimated at \$9.19 per box of 100 and paper at \$10.69 per ream. It can be assumed that each licensee will have to purchase paper, envelopes, and stamps. As of July 2021, there were 43 house-banked card room licensees. The total cost to comply with this section of the chapter will cost at least \$1,469.74. This cost will be shared amongst licensees, but disproportionately, as some licensees may have more individuals enrolled in operator-level programs than others.

Individuals interested in enrolling in the self-exclusion program may submit Self-Exclusion Request Forms to any house-banked card room. Licensees will be responsible for reviewing forms submitted to their establishment for completeness, verifying proof of identity, verifying the period of enrollment, and verifying the signature of the individual wishing to enroll in the program. Licensees will also be required to take a photograph of the individual, showing only their head and shoulders, to submit with the Self-Exclusion Request Form. Exceptions will be made if the individual submits a photograph with their Self-Exclusion Request Form, similar to that of a passport headshot. Licensees will have 72 hours to forward completed forms to the Gambling Commission. This can be done by way of regular mail, email, or fax. It is estimated that reviewing the Self-Exclusion Request Form for completeness, verifying the identity of the individual, and taking their photograph will take one employee 10-15 minutes to complete. An hourly wage of \$16.69 was used to account for the highest minimum wage in the state, therefore, the estimated cost of one employee to process a Self-Exclusion Request Form will cost a minimum of \$4.18 per form. It is assumed that every licensee has access to a camera to take a photograph of the individual, showing only their head

and shoulders, as this may be done using a camera on a cellular phone, a digital camera, or a webcam. A cost of a stamp and envelope will be incurred if the form needs to be mailed, but the licensee may also scan and email a copy of the form, or fax it.

Licensees will be required to provide information and resources to individuals on treatment of gambling disorders, however, they are already doing this, so there is no anticipated cost associated with this requirement.

Each house-banked card room licensee will be responsible for developing procedures on how they plan to implement the self-exclusion program at their establishment and designating at least one employee to be the contact person for purposes of the self-exclusion program. The designated contact person will be responsible for receiving information regarding and maintaining the self-exclusion list, submitting the licensee's self-exclusion procedures to the Gambling Commission, and being the point-person for all communication with the Gambling Commission regarding the program. The Gambling Commission will develop a template for licensees to reference when developing procedures on implementing the self-exclusion program at their establishment. This will keep costs low and procedures consistent amongst licensees. Staff time to develop procedures consistent with the provided template is estimated to take 4-8 hours and will likely be developed by a higher-level position at the house-banked card room, such as a General Manager, so a rate of \$48 per hour was used, resulting in a maximum amount of \$384.00. It is assumed that the designated contact person will not be a full-time position, rather these duties will likely be incorporated into an existing position, and are estimated to require 1-2 hours per week, and cost a minimum of \$33.38.

Costs associated with implementing the procedures themselves are expected to be relatively low. Licensees will be responsible for ensuring the confidentiality of individuals enrolled in the self-exclusion program, ensuring that those individuals are not gambling at their establishments, and finally, ensuring that they are not marketing to individuals enrolled in the self-exclusion program.

It is not anticipated that ensuring confidentiality of individuals on the self-exclusion list will impose any costs to licensees. Once the Self-Exclusion Request Form is submitted to the Gambling Commission, individuals will be placed on the list for the period of enrollment they've selected, and it will be the responsibility of the designated contact person to maintain the list for each licensee. The manner in which the list is maintained will be determined by each licensee.

Ensuring individuals enrolled in the self-exclusion program do not gamble at licensed establishments will be accomplished in a number of ways including checking I.D.'s at the door, utilizing player tracking systems and other electronic means, comparing all taxable patron winnings with the self-exclusion list, and verifying identification prior to paying out jackpot prizes. Many licensees are already checking I.D.'s at the door to verify age, as this is common business practice. There may be a minimal cost associated with cross-referencing the name on an I.D. with the self-exclusion list. It is estimated this verification would take one employee less than 5 minutes to complete and therefore would have minimal costs associated with it. A majority of licensees (71%) use ABS Business Data, LLC's Sonoma player-tracking system. This system allows licensees to maintain customer information and create loyalty rewards programs, including sending emails and SMS messaging. For those licensees using Sonoma, or a similar system, it should be

relatively easy to flag any individual with a player-tracking card who enrolls in the self-exclusion program by updating their customer information. If an individual comes into the establishment and participates in gambling using their player-tracking card, the licensee will be aware. It is estimated that updating player-tracking information in a system such as Sonoma will take one employee 10-15 minutes, or \$4.18 per individual.

Taxable patron winnings, or at least \$600 and three hundred times the amount of the wager, are required to be reported to the IRS. Before these winnings can be claimed, patrons must fill out tax documents. It is estimated that it will require one employee less than 5 minutes to check the patrons name against the self-exclusion list while they complete the tax documents to claim their winnings, and therefore will have minimal costs associated with it.

Employees who work in the cage, or depending on the amount of prize, employees who work on the floor, will be responsible for confirming that patrons who win jackpot prizes are not enrolled in the program. This can be achieved by comparing the identification of all jackpot prize winners with those on the self-exclusion list prior to paying out prizes. This verification method is estimated to add less than 5 minutes on to an employee's time, and therefore will have minimal costs associated with it.

If an individual enrolled in the program breaches their enrollment, the licensee must immediately remove the individual from the premises upon discovery, confiscate all money and things of value obtained or owed to the individual as a result of prohibited wagers, and notify the Gambling Commission within 72 hours of the breach. There is no anticipated cost associated with removing individuals from the premises as this is already a practice that licensees have in place, however confiscating winnings is a new practice and will require training appropriate staff. This will require licensees to develop training materials which is estimated to take 2-4 hours and will likely be developed by a higher-level position at the house-banked card room, such as a General Manager, so a rate of \$48 per hour was used, resulting in a maximum of \$192. Training of appropriate staff can be incorporated into the overall training of the self-exclusion program which is calculated later in this document.

Upon confiscating all money and things of value obtained or owed to the enrolled individual, the licensee must issue a check for the same monetary value within 3 business days to either the problem gambling account created in RCW 41.05.751 and/or a charitable or nonprofit organization that provides services or increases awareness about gambling disorders. There are no anticipated costs for issuing confiscated winnings as required by statute.

Surveillance evidence of the breach identifying the date, time, amount of money or things of value confiscated, the name and identity verification of the individual enrolled in the program, and a copy of the canceled check remitting the confiscated funds must be retained for one year. This information may be stored electronically or via hard copy therefore the anticipated costs may vary.

Licensees will be required to deny check cashing privileges, close player club memberships and/or other accounts for individuals enrolled in the self-exclusion program, and remove these individuals from mailing lists to ensure they no longer receive targeted mailings. Employees who work in the cage will be responsible for denying check cashing

privileges to individuals enrolled in the self-exclusion program. This can be achieved by comparing the identification of those wishing to cash checks with those on the self-exclusion list. This verification method is estimated to add less than 5 minutes on to an employee's time, and therefore will have minimal costs associated with it.

According to ABS Business Data, LLC, most licensees (71%) are using Sonoma player-tracking system software. This system allows the licensee to update customer information and communicate directly with customers through email and SMS messaging, therefore it should be relatively easy to update the customer information to include that the individual is enrolled in the self-exclusion program and to disable email and SMS messaging. It is estimated this will take one employee 10-15 minutes to complete, or \$4.18 per individual. There is no cost associated with denying individuals enrolled in the self-exclusion program player club memberships, complimentary good and/or services, or any other privileges or benefits. If anything, denying complimentary goods and services may save licensees money.

House-banked card room licensees will be responsible for training all new employees within 3 days of hire and annually retraining all employees who directly interact with individuals who are gambling on information concerning the nature of gambling disorders, the procedures for individuals to request to be enrolled in the self-exclusion program, and on how to assist individuals in obtaining information about gambling disorder treatment programs. There are currently 4,096 persons employed at licensed house-banked card rooms. It is unlikely that all of these persons directly interact with individuals who are gambling, however, if all were to participate in a 4-hour training, it is estimated to cost a minimum of \$273,448.96. This cost would be divided amongst 43 licensed house-banked card rooms, disproportionately, as some have more employees than others. The cost to train each employee would cost a minimum of \$66.76. Averaging the amount of card room employees who were licensed between January and July 2021, it is estimated that 42 card room employees are hired every month, or just under 1 per licensed house-banked card room, therefore the cost of training new employees would be a minimum of \$66.76.

The proposed rules may result in a reduction of sales and/or revenue to house-banked card room licensees as individuals with gambling disorders will no longer be participating in gambling activities once enrolled in the self-exclusion program, however that is the purpose of the program and meets the intent of the law.

See *Table B. Cost of Compliance* on page 10 for more information.

Table B: Cost of Compliance.

Assumptions		Cost	
Computer		\$0	
Printer		\$0	
Internet		\$0	
Access to Camera (webcam/phone/digital camera)		\$0	
Supplies		Cost	
Paper	Self-Exclusion Request Form for already enrolled individuals (1,118)	\$10.69/ream (500 sheets)	
	Self-Exclusion Request Form (new individuals)		
	Copy of canceled check		
Stamps	Regular mail to already enrolled individuals (1,118)	\$0.55/stamp = \$614.90	
	Forwarding Self-Exclusion Forms via regular mail to Gambling Commission	\$0.55/stamp	
Envelopes	Sending Self-Exclusion forms to already enrolled individuals (1,118)	\$9.19/box (100 envelopes)	
	Forwarding Self-Exclusion forms via regular mail to Gambling Commission	\$9.19/box (100 envelopes)	
Record retention of surveillance evidence (thumb drive, CD, hard drive, computer, etc.)		\$7.49-10.93	
Labor		Time	Cost
Process forms (review for completeness, verify identity, verify period of enrollment, and verify signature)		10-15 minutes per form received	\$16.69/hour = \$4.18/form
Designated contact person/maintain self-exclusion list		1-2 hours/week	\$33.38/week
Develop self-exclusion procedures		4-8 hours	\$48/hour = \$384/licensee
Implementation of self-exclusion procedures	Ensuring confidentiality of individuals enrolled in the self-exclusion program	0 minutes	\$0
	Ensure individuals enrolled in the program are not gambling at their establishment (utilizing player tracking accounts, checking all taxable patron winnings, checking I.D.'s at the door, etc.)	15 minutes	\$16.69/hour = \$4.18/individual
	Close player club memberships/remove individuals from targeted mailings lists	10-15 minutes per individual	\$16.69/hours = \$4.18/individual
	Verification at cage when cashing checks and paying out jackpot prizes	Less than 5 minutes	\$0
	Denying complimentary goods and services	0 minutes	\$0
	Enforcement of breach	1-2 hours per individual	\$48/hour = \$96
Develop training materials		2-4 hours	\$48/hour = \$192/licensee
Training staff (4,096 card room employees)		4 hours	\$16.69/hour = \$66.76/employee
Training new staff (~ 42/month*) *based on new CRE's licensed between January 2021 and July 2021		4 hours	\$16.69/hour = \$66.76/employee

Total Cost of Compliance

Initial Costs:

Notifying individuals enrolled in existing programs:	~ \$1,469.74 (divided amongst 43 licensees)
Developing procedures (based on template):	~ \$384/licensee
Development of training:	~ \$192/licensee
Training staff:	~ 273,448.96 (divided amongst 43 licensees)
TOTAL INITIAL COST:	~ \$6,969.46/licensee

Ongoing Costs:

Cost to process Self-Exclusion Request Forms:	~ \$4.18/form
Supplies (paper, stamps, envelopes):	~ \$94.76 (per 100 forms)
Implementation of procedures:	~ \$836
Records retention:	~ \$10.93
	~ 1,359.69 (process 100 forms)

Designated contact person:	~ \$267.04/month
Training new staff:	~ \$66.76/month
TOTAL MONTHLY COST:	~ \$1,693.49/licensee*

*Calculated based on 100 individuals enrolling per month

SECTION 4:

Analyze whether the proposed rule may impose more than minor costs on businesses in the industry.

The minor cost threshold was found to be between \$10,126.91 and \$33,690.22. The cost for house-banked card room licensees to comply with the new chapter, chapter 230-23 WAC, is initially \$6,969.46 with a monthly implementation of \$1,693.49, based on 100 individuals enrolling every month, therefore compliance with the new chapter will not impose more than minor costs.

Initial costs are much higher than implementing the program thereafter. Initial costs will be dependent upon how many individuals on existing operator-level programs a licensee is required to notify and how many employees a licensee must train. Implementation thereafter will be dependent upon how many individuals enroll at a licensee's establishment. The implementation costs were calculated upon 100 individuals enrolling per month; however, it is unlikely that 100 individuals will enroll at every licensed house-banked card room every month. The total costs and the total implementation costs are likely to be much lower for most licensees.

SECTION 5:

Determine whether the proposed rule may have a disproportionate impact on small businesses as compared to the 10 percent of businesses that are the largest businesses required to comply with the proposed rule.

There are currently 43 house-banked card room licensees that will be required to comply with this new chapter, chapter 230-23 WAC. The Self-Exclusion Request Form will be made available on the Gambling Commission's website. Individuals interested in enrolling in the program have the option to return it directly to the Gambling Commission. However, they also have the opportunity to submit it to any house-banked card room licensee, therefore, costs may vary between licensees as some licensees may receive more forms than others and therefore accrue more costs than others.

Licensees are responsible for mailing the Self-Exclusion Request Form to individuals enrolled in operator-level programs. This will have a disproportionate impact as some licensees may have a larger number of individuals enrolled in an existing program than others, while some may not be operating a self-exclusion program at all and therefore not be required to notify anyone.

Over a third of the house-banked card room licensees (41%) are under the same ownership, which depending on how they choose to develop and implement procedures, could vastly reduce costs for the licensees under that ownership. This would disproportionately impact those licensees not included under this ownership as they would have to independently develop their own procedures for implementation of the program. For this reason, the Gambling Commission will be providing all licensees with a template for implementation of the self-exclusion program in an effort to reduce costs and maintain consistency across the state.

A majority of house-banked card room licensees (71%) utilize the Sonoma player-tracking system which may reduce implementation costs and help identify breaches, however it may be unlikely that an individual enrolled in the self-exclusion program would utilize their player-tracking card if choosing to participate in gambling activities while enrolled in the program. This could disproportionately impact those licensees who do not have a player-tracking system; however, a system is not necessary to implement the program.

Labor costs also vary between licensees so implementation of the program on the westside of the state may cost more than on the eastside of the state, for example.

SECTION 6:

If the proposed rule has a disproportionate impact on small businesses, identify the steps taken to reduce the costs of the rule on small businesses. If the costs can not be reduced provide a clear explanation of why.

The Self-Exclusion Request Form will be made available on the Gambling Commission's website and may be submitted directly to the Gambling Commission by any individual that is interested in enrolling the program. If an individual does submit a form to a licensee, the licensee has several options available to them for forwarding that information to the Gambling Commission, who is ultimately responsible for maintaining the database and distributing information to all licensees.

As stated in Section 5, over a third of house-banked card room licensees (41%) are under the same ownership, which depending on how they choose to develop and implement procedures, could vastly reduce costs for the licensees under that ownership. This could disproportionately impact those licensees not included under this ownership as they would have to independently develop their own procedures for implementation of the program. For this reason, the Gambling Commission will be providing all licensees with a template for implementation of the self-exclusion program in an effort to reduce costs and maintain consistency across the state.

SECTION 7:

Describe how small businesses were involved in the development of the proposed rule.

A representative from the house-banked card room industry was involved in the initial drafting of this chapter. Additionally, licensees with existing operator-level self-exclusion programs submitted those programs to the Gambling Commission to provide examples of what already exists in order to create an easy transition to the implementation of a centralized, statewide self-exclusion program.

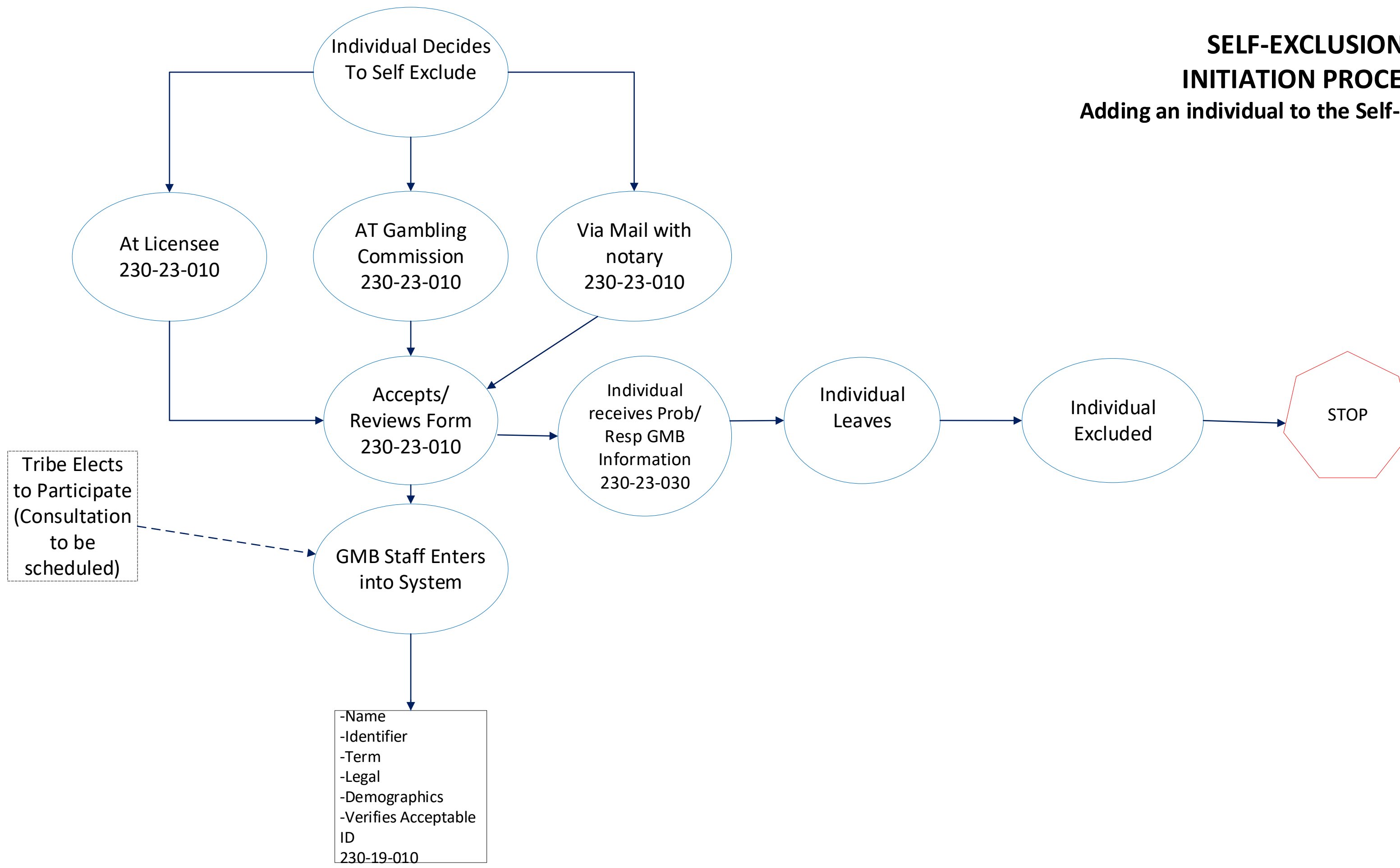
Draft rules were sent out to all house-banked card room licensees for review and feedback on May 3, 2021. Feedback received was reviewed by staff and incorporated accordingly.

SECTION 8:

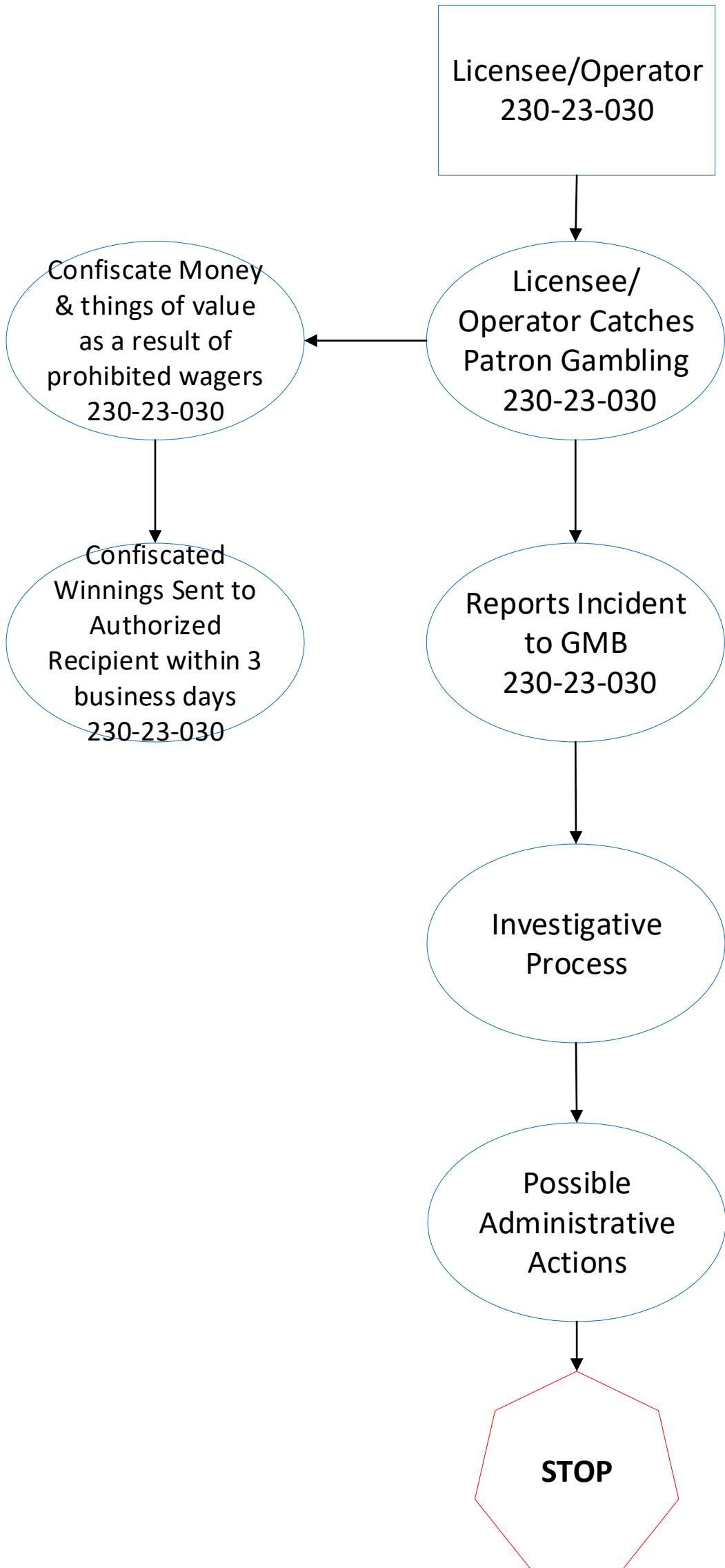
Identify the estimated number of jobs that will be created or lost as the result of compliance with the proposed rule.

It is unlikely that any jobs will be created as a result of the adoption of this new chapter, chapter 230-23 WAC. The role of a "designated contact person" to maintain the self-exclusion list for each house-banked card room licensee is likely to be incorporated into an existing position. No jobs will be lost as a result of the adoption of this new chapter.

**SELF-EXCLUSION
INITIATION PROCESS**
Adding an individual to the Self-Exclusion List

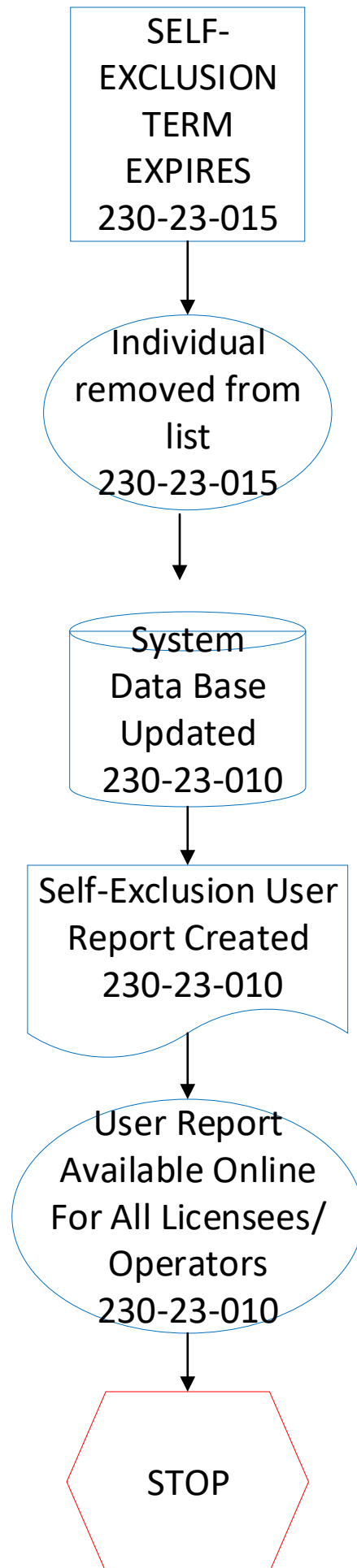


**SELF-EXCLUSION
INCIDENT REPORTING PROCESS**
Enforcing Self-Exclusion Terms

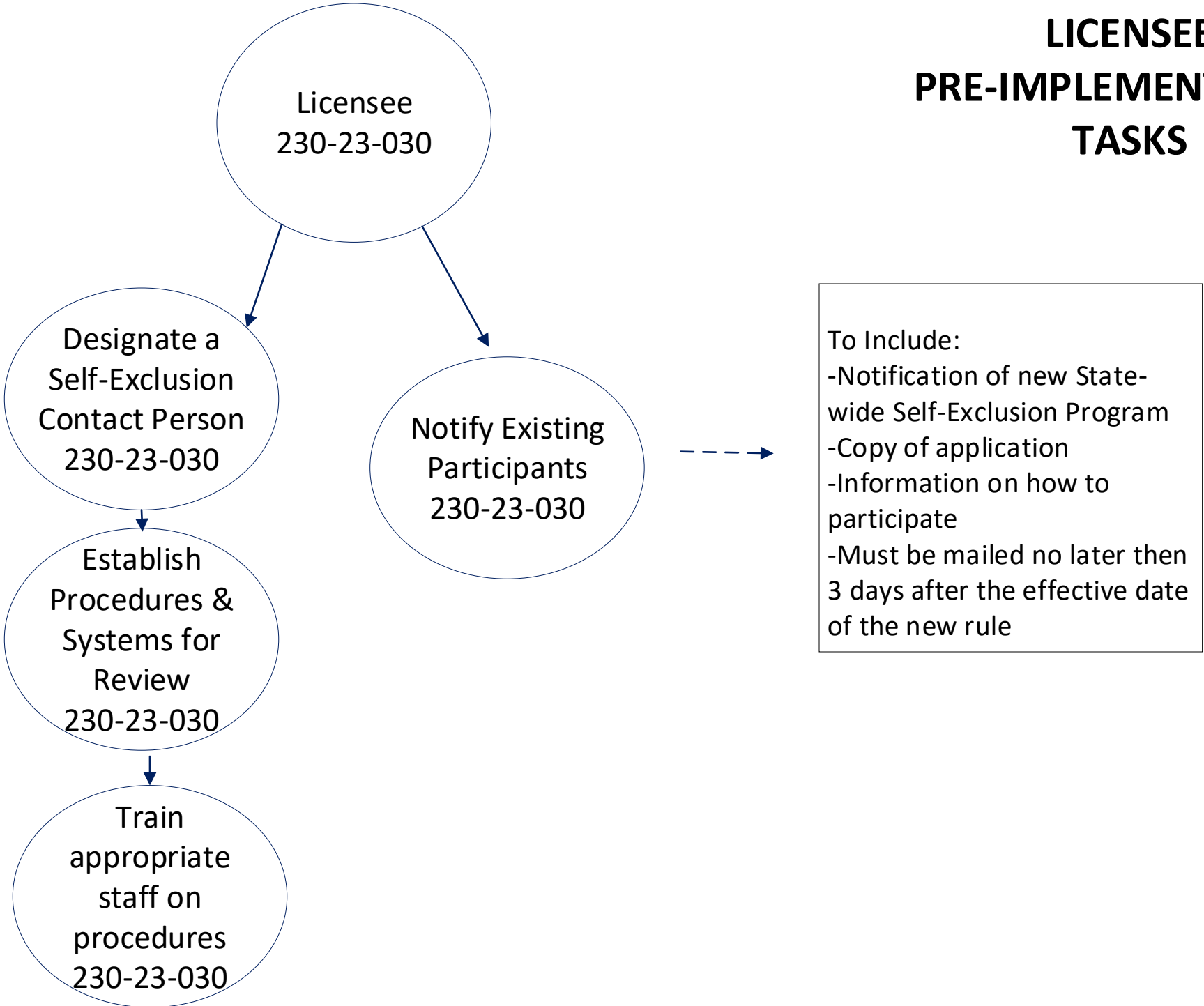


SELF-EXCLUSION REMOVAL PROCESS

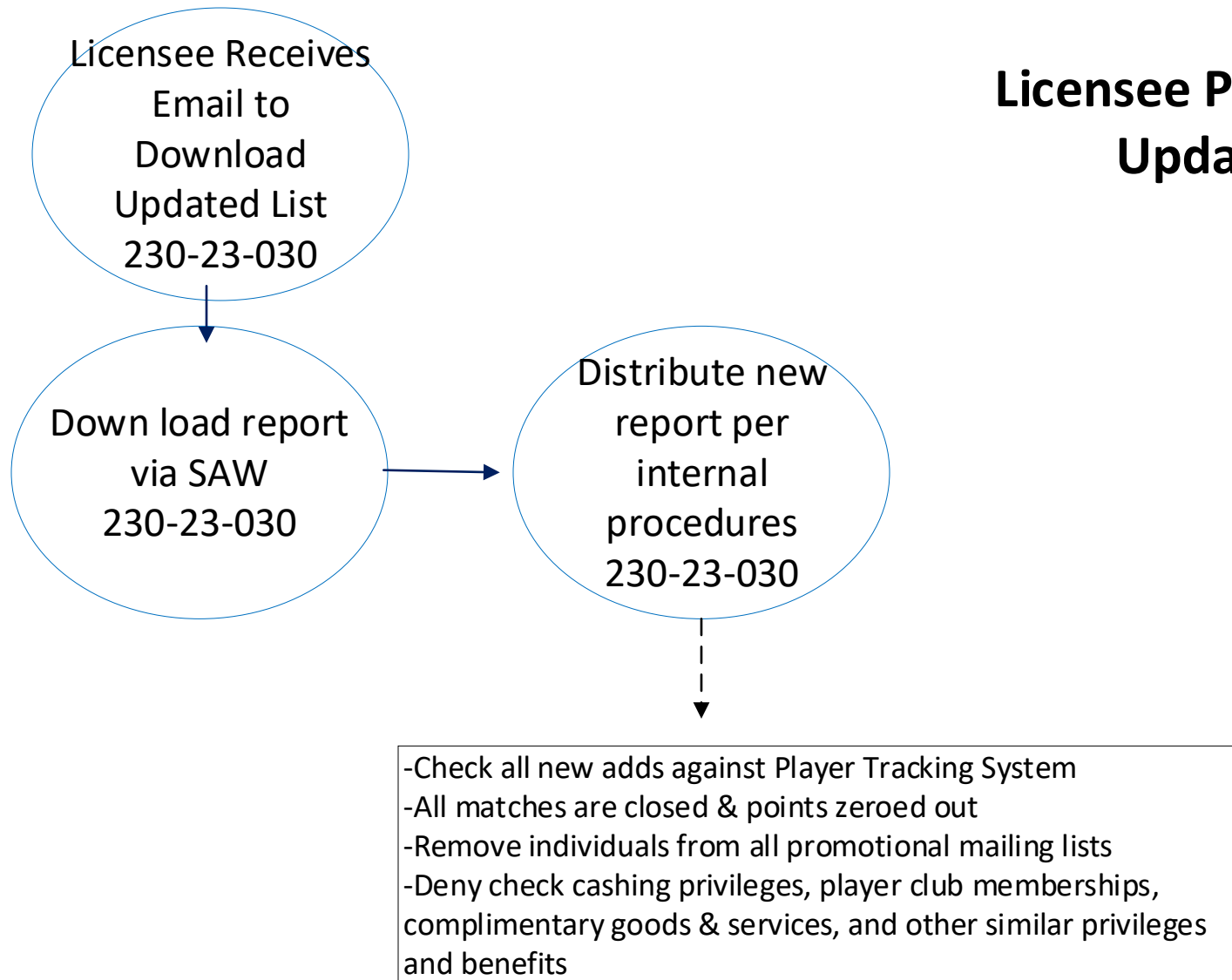
Removing an Individual from the List



LICENSEE PRE-IMPLEMENTATION TASKS



Licensee Process for an Updated List



**Request for Feedback and List of Washington State
Certified Gambling Counselors**

From: [Griffin, Tina \(GMB\)](#)
To: [Chaney, James \(DOH\)](#); [Tomaro, Julie \(DOH\)](#)
Cc: [Laydon, Ashlie \(GMB\)](#)
Subject: Request for Feedback Regarding Licensed Facilities and Credentialed Providers
Date: Tuesday, September 21, 2021 7:37:45 PM
Attachments: [WAC 230-23 Self- Exclusion revised 09 2020.docx](#)

Hello Mr. Chaney and Ms. Tomaro,

The Washington State Gambling Commission is in the process of finalizing rules to implement a state-wide self-exclusion program as required by [RCW 9.46.071](#). This program will allow an individual to voluntarily exclude themselves from licensed establishments in the state of Washington with a single application. We are seeking your input on two aspects of the proposed rules and process, which will involve Certified Gambling Counselors and treatment facilities.

It is my understanding that Certified Gambling Counselors are regulated by each of your respective departments - Ms. Tomaro under the facilities licensed by DOH as outlined [WAC 246-341-0754](#) and [WAC 246-341-0515](#) and Mr. Chaney for the underlying credentials they hold. All problem gambling and gambling disorder treatment services are provided by Certified Gambling Counselors as outlined in [WAC 246-341-0754](#) and [WAC 246-341-0515](#). In addition, the Certified Gambling Counselors must also be credentialed by DOH, usually as mental health counselors, substance abuse counselors and social workers.

Given your expertise with the licensed facilities and credentialed individuals, we would appreciate your feedback on the following:

- Any concerns in having a Certified Gambling Counselor attest to the identity of an individual seeking to be placed on the self-exclusion list by signing the registration form? This attestation would be in place of a notary. The Certified Gambling Counselor would be required to provide their name, the name of the treatment facility they are associated with, their credential number, and date of expiration.
- Any concerns regarding a Certified Gambling Counselor testifying at an administrative hearing to verify their signature, in which they verified the identity of the individual, on the enrollment form if the individual contests the self-exclusion?

Enclosed is a copy of draft rule language for your review. WAC 230-23-010 identifies the application process.

We would appreciate your feedback as soon as possible. Thank you for your time and assistance.

Sincerely,

Tina Griffin
Interim Director
Washington State Gambling Commission
P.O. Box 42400

Olympia, WA 98504

360-507-3456

tina.griffin@wsgc.wa.gov



From: [Robbins, Rashida \(GMB\)](#)
To: [Chinn, John \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#)
Subject: FW: Washington State Gambling Commission Self-exclusion program
Date: Wednesday, September 22, 2021 3:05:15 PM

Hello,

I received this email from one of the certified gambling counselors today.

Thank you,

Rashida Robbins
Washington State Gambling Commission
Administrative Assistant 3, LRED
4565 7TH Ave SE
Lacey, WA, 98503
rashida.robbsins@wsgc.wa.gov

From: Brad Galvin | Brief Therapy Works <brad@brieftherapyworks.com>
Sent: Wednesday, September 22, 2021 2:53 PM
To: Robbins, Rashida (GMB) <rashida.robbsins@wsgc.wa.gov>
Subject: Re: Washington State Gambling Commission Self-exclusion program

External Email

Overall, this is very well-written. I applaud your effort. I have had a chance to review the attached documents. Here are some of my thoughts:

- I would suggest no automatic reinstatement after self-exclusion and that only lifetime bans be offered, however with the option of seeking reinstatement after 1 year.
- I would be open to supporting my clients to ban themselves so that they don't have to mail in an application or do so at the gambling commission office.
- I would also support making it possible for someone to ban themselves online.
- I am also curious as to whether it's possible for someone to ban themselves from sports gambling now that it is becoming legal in the state.

Brad Galvin, MS, LMHC, LPC, SUDP, ICGC-II
EMDR Certified Addiction and Trauma Therapy Specialist
Washington State Gambling Counselor Supervisor
WA LH60486511/CP6293 | AK LPC 173865 | ICGC 1191
Brief Therapy Works

**600 Stewart St., Suite 400
Seattle, WA 98101
206.339.4546 (w)
206.299.2159 (f)
brieftherapyworks.com**

*"I wish I could show you
When you are lonely or in darkness
The astonishing light of your own being!"
~ Hafiz*

Confidentiality Notice

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On 9/16/2021 at 2:04 PM, "Rashida Robbins (GMB)" <rashida.robbins@wsgc.wa.gov> wrote:

Hello Brad,

I am emailing you on behalf of John Chinn in hopes that you will review the attachments and provide feedback.

Thank you for your time.

Rashida Robbins
Washington State Gambling Commission
Administrative Assistant 3, LRED
4565 7TH Ave SE
Lacey, WA, 98503
rashida.robbins@wsgc.wa.gov

From: [Robbins, Rashida \(GMB\)](#)
To: [Chinn, John \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#)
Subject: FW: EXTERNAL: Washington State Gambling Commission Self-exclusion Program
Date: Thursday, September 16, 2021 2:21:40 PM

From: Hilarie Cash <hilarie.cash@restartlife.com>
Sent: Thursday, September 16, 2021 2:18 PM
To: Robbins, Rashida (GMB) <rashida.robbs@wsgc.wa.gov>
Subject: Re: EXTERNAL: Washington State Gambling Commission Self-exclusion Program

External Email

This proposal sounds very good to me. I believe that counselors would provide a reliable source of recommendation/verification. And I like the tiered approach to self-exclusion. Beyond this, I don't have further suggestions.

Thanks,

H

Hilarie Cash, PhD, LMHC, CSAT, WSGC
Founding Member, Chief Clinical Officer (CCO),
Education Director
hilarie.cash@restartlife.com

reSTART Life, PLLC
1001 290th Ave SE . Fall City, WA. 98024-7403
connect@restartlife.com
Tel: 800.682.6934, extension 6
Fax: 888.788.3419

restartlife.com * therestartgroup.com * netaddictionrecovery.com

"Get out and enjoy your life. There's no app for that."

Although our team at reSTART strives to read all incoming emails within 24 hours, our ability to respond to your email may be as long as 3 working days as we practice sustainable digital media use as an organization.

From: Robbins, Rashida (GMB) <rashida.robbs@wsgc.wa.gov>
Sent: Thursday, September 16, 2021 2:14 PM
To: Hilarie Cash <hilarie.cash@restartlife.com>
Subject: EXTERNAL: Washington State Gambling Commission Self-exclusion Program

Hello,

I am emailing you on behalf of John Chinn in hopes that you will review the attachments and provide feedback.

Thank you for your time.

Rashida Robbins
Washington State Gambling Commission
Administrative Assistant 3, LRED
4565 7TH Ave SE
Lacey, WA, 98503
rashida.robbsins@wsgc.wa.gov

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From: [Griffin, Tina \(GMB\)](#)
To: [Laydon, Ashlie \(GMB\)](#)
Subject: FW: Question for you
Date: Friday, October 1, 2021 8:12:49 AM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image001.png](#)

From: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Sent: Thursday, September 30, 2021 11:20 AM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Subject: RE: Question for you

Hi Tina,

I think this definition looks good but I do think that the Evergreen Council should also look at it briefly (Maureen Greeley and/or Tana Russell).

Sometimes they catch things I don't in defining the work that the CGC's do, as they administer the training & certification program and staff the Certification Committee.

Would you like me to pass it along to them? Or do you want to reach out directly? If you do, please say I looked at it and said it's fine from my point of view.

One question—is the next public meeting on 10/14 going to include a revised version of the self-exclusion rules for the Commissioners to review and for the public to give feedback on? I just want to make sure I'm there if that's being covered.

Finally, thank you so very much for presenting yesterday at the PGTF meeting—sorry your time was a bit truncated, but I certainly appreciated the info.

And thanks for including me in this process, Tina.

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*

Pronouns: She/Her/Hers

roxane.waldron@hca.wa.gov



From: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Sent: Thursday, September 30, 2021 11:13 AM
To: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Subject: Question for you

Hello Roxanne,

We are drafting a definition of Certified Gambling Counselor to include in our self-exclusion rules package. I drafted it based on the information you provided us last month, which was very helpful.

Can you please take a look at the below draft definition and provide feedback by the end of the week? The quick turnaround is because we need to get the packet out soon for the upcoming meeting.

“Certified Gambling Counselor” means problem gambling and gambling disorder treatment providers who:

- (a) Are credentialed by the Department of Health as outlined in WAC 246-341-0754; or
- (b) Provide counseling under a Tribal Attestation in lieu of state requirements for behavior health credentials.

Thank you,

Tina Griffin
Interim Director
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504
360-507-3456
tina.griffin@wsgc.wa.gov



Laydon, Ashlie (GMB)

From: Griffin, Tina (GMB)
Sent: Friday, October 1, 2021 3:40 PM
To: Laydon, Ashlie (GMB)
Subject: FW: Question for you
Attachments: image001.emz; image003.emz

From: Tana Russell <trussell@evergreencpg.org>
Sent: Friday, October 1, 2021 3:26 PM
To: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>; Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Cc: Maureen Greeley <Mlgreeley@evergreencpg.org>
Subject: RE: Question for you

External Email

Thank you, Roxane, you're better versed in legal jargon than I am, and what she said is correct. But I can clarify any questions about the individual certification process. I am not as knowledgeable about the agency licensure process.

Gambling Counselor eligibility:

Meets education requirements &
Has DOH license as LMHC, SUDP, LCSW, MFT, etc.



Applies for and meets **Gambling Counselor Certification requirements** through either:
WSGCCC or IGCCB
(is about a 2-yr process)

Tana Russell, SUDP, NCTTP, WSCGC-II

Assistant Director
1821 Fourth Avenue East
Olympia, WA 98506
P: 360.352.6133 x5541
F: 360.352.4133
www.evergreencpg.org

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Help starts here – 24/7 confidential helpline: **1.800.547.6133**



<https://www.evergreencpg.org/news/celebrating-30-years-of-service/>

From: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>

Sent: Friday, October 1, 2021 3:15 PM

To: Tana Russell <trussell@evergreencpg.org>; Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>

Cc: Maureen Greeley <Mlgreeley@evergreencpg.org>

Subject: RE: Question for you

Hi All,

Tana, that's for jumping in to clarify—I knew ECPG would be able to clarify this language.

Apologies for the length of my replies—Tina, I know we all want to get this right for you the first time.

Tina, just to clarify—DOH does do all the BH agency & individual licensures. In order to become a *Certified Gambling Counselor*, you must already be a licensed mental health counselor or substance use disorder professional--THEN you can enter the certification program with Evergreen Council on PG or you can go through the International Board for certification.

Here's my suggested language:

*'Certified Gambling Counselor' means a licensed mental health provider or licensed substance use disorder professional who is **certified** by the Washington State Gambling Certification Committee or the International Gambling Counselor Certification Board as outlined in WAC 246-341-0754.'*

- In my opinion, you don't need to say anything about RCW 18.19 or the others because all the individual requirements are either in WAC 246-341 or refer back to those RCWs as needed. Also, RCW 18.19 does have some certifications, but not the Certified Gambling Counselor (CGC)—I've been in on-going discussion with DOH about this and we may be able to get this fixed in the future, but for now it's only described in [WAC 246-341-0754](#).
- The gambling counselors aren't credentialed for problem gambling, they're certified. Small but important distinction. The CGC certification is an 'add-on' after licensure.
- Tribal attestation if for agencies, not individuals. In order to offer problem gambling treatment, all non-Tribal WA State behavioral health agencies that want to offer pg treatment have to be certified as problem gambling agencies by DOH. The agency requirements are in [WAC 246-341-0754](#)--the main requirement is that an agency must have a Certified Gambling Counselor in good standing on staff. [Tribal Attestation](#) would allow Tribal BH agencies to not have to fulfill requirements of the WAC in order to offer services.
- Since the description of 'in training' for Certified Gambling Counselor is determined by the Certification Committee and isn't in WAC, I suggest we leave that off.

I hope this helps?

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*
Pronouns: She/Her/Hers
roxane.waldron@hca.wa.gov



www.hca.wa.gov    

From: Tana Russell <trussell@evergreencpg.org>
Sent: Friday, October 1, 2021 1:45 PM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Cc: Maureen Greeley <Mlgreeley@evergreencpg.org>; Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Subject: RE: Question for you

External Email

“Certified Gambling Counselor” means problem gambling and gambling disorder treatment providers who:

- (a) Are credentialed by the Department of Health as outlined in WAC 246-341-0754; or
- (b) Provide counseling under a Tribal Attestation in lieu of state requirements for behavior health credentials.

On (a): DOH does provides *agency* licensure, but does not provide the *individual provider* certification. Providers in WA obtain their Gambling Counselor Certification credential either through the Washington State Gambling Counselor Certification Committee ([WSGCCC](#)) or the International Gambling Counselor Certification Board ([IGCCB](#)). The WAC 246-341-0754 language on this is rather wordy, listing several of the major certification requirements (see attachment, page 1 , (2) a-b, for reference), so for something simplified I might suggest:

“(a) Are credentialed by the Washington State Gambling Counselor Certification Committee or the International Gambling Counselor Certification Board as outlined in WAC 246-341-0754; or”

On (b): Roxane knows more about the Tribal Attestation process than I do, so I’ve CC’ed her. But I believe that DOH handles the Tribal Attestations, and that that is for *agencies* as

well? Roxane, do you know if that process applies to individual providers also, perhaps those in private practice?

Tana Russell, SUDP, NCTTP, WSCGC-II

Assistant Director

1821 Fourth Avenue East

Olympia, WA 98506

P: 360.352.6133 x5541

F: 360.352.4133

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<https://www.evergreencpg.org/news/celebrating-30-years-of-service/>

From: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>

Sent: Friday, October 1, 2021 8:31 AM

To: Tana Russell <trussell@evergreencpg.org>

Subject: RE: Question for you

Unfortunately, I mean by end of today. We need to get this to the Code Reviser and then publish on our website for the upcoming meeting. Thank you!

From: Tana Russell <trussell@evergreencpg.org>

Sent: Friday, October 1, 2021 8:29 AM

To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>

Cc: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>; Maureen Greeley <Mlgreeley@evergreencpg.org>

Subject: RE: Question for you

External Email

I'd be happy to. I need to think on it a bit more. By the end of the week to you mean the end of the day today? Or next week?

Tana Russell, SUDP, NCTTP, WSCGC-II

Assistant Director

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From: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Sent: Friday, October 1, 2021 8:12 AM
To: Tana Russell <trussell@evergreencpg.org>
Cc: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>
Subject: FW: Question for you

Hello Tana,

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Can you please take a look at the below draft definition and provide feedback by the end of the week? The quick turnaround is because we need to get the packet out soon for the upcoming meeting.

“Certified Gambling Counselor” means problem gambling and gambling disorder treatment providers who:

- (a) Are credentialed by the Department of Health as outlined in WAC 246-341-0754; or
- (b) Provide counseling under a Tribal Attestation in lieu of state requirements for behavior health credentials.

Thank you,

Tina Griffin
Interim Director
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504
360-507-3456
tina.griffin@wsgc.wa.gov



From: [Griffin, Tina \(GMB\)](#)
To: [Becker, Suzanne \(ATG\)](#); [Laydon, Ashlie \(GMB\)](#)
Subject: FW: Question for you
Date: Friday, October 1, 2021 3:48:16 PM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.png](#)
[image011.png](#)
[image012.png](#)

Based on the latest feedback, please include the below in the definition section of WAC 230-23 and then change Certified Gambling Counselor to Problem Gambling Treatment Counselor in WAC 230-23. Thank you!

From: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Sent: Friday, October 1, 2021 3:42 PM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Cc: mlgreeley@evergreencpg.org; Tana Russell <trussell@evergreencpg.org>
Subject: RE: Question for you

If you want to include clinicians who are able to sign as 'notaries' for the forms that are 1) employed by a Tribe that's using Tribal attestation and 2) offers pg services without have a Certified Gambling Counselor, then I think you could go this way:

'Problem gambling treatment counselor' means:

- 1) a 'Certified Gambling Counselor' that is certified by the Washington State Gambling Counselor Certification Committee or the International Gambling Counselor Certification Board as outlined in WAC 246-341-0754; or
- 2) a clinician providing problem gambling treatment that is employed by a Tribal Behavioral Health Agency that has submitted a Tribal Attestation to offer problem gambling treatment in lieu of state requirements for Certified Gambling Counselor.

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*
Pronouns: She/Her/Hers
roxane.waldron@hca.wa.gov

Washington State
Health Care Authority

www.hca.wa.gov



From: Waldron, Roxane (HCA)
Sent: Friday, October 1, 2021 3:32 PM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Cc: mlgreeley@evergreencpg.org; Tana Russell <trussell@evergreencpg.org>
Subject: RE: Question for you

I think you need to leave off Tribal attestation. That is for agencies only—an individual cannot request via the Tribal attestation process.

We don't want to inadvertently say that a 'Certified Gambling Counselor' can be created via the Tribal attestation process—that's not correct.

Tribal attestation only means that a Tribe can do what it wants within the bounds of the Tribal attestation process (which includes offering treatment for problem gambling without a Certified Gambling Counselor).

Here's info on Tribal Attestation: [Tribal Attestation](#)

Roxane Waldron, MPA

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Division of Behavioral Health and Recovery
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work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*
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roxane.waldron@hca.wa.gov



From: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Sent: Friday, October 1, 2021 3:29 PM
To: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Cc: mlgreeley@evergreencpg.org; Tana Russell <trussell@evergreencpg.org>
Subject: RE: Question for you

Thank you all for your assistance on this. You've been very gracious with your time and help.

This is my take-away for the final rule language:

“Certified Gambling Counselor” means problem gambling and gambling disorder treatment providers who:

- (a) Is certified by the Washington State Gambling Counselor Certification Committee or the International Gambling Counselor Certification Board ~~Are credentialed by the Department of Health~~ as outlined in WAC 246-341-0754; or
- (b) Provide counseling under a Tribal Attestation in lieu of state requirements for behavior health credentials.

Please let me know if this is not correct.

From: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>

Sent: Friday, October 1, 2021 3:24 PM

To: Tana Russell <trussell@evergreencpg.org>; Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>

Cc: Maureen Greeley <Mlgreeley@evergreencpg.org>

Subject: RE: Question for you

I need to fix one thing—here’s the revised version:

*‘Certified Gambling Counselor’ means a licensed mental health provider or licensed substance use disorder professional who is **certified** by the Washington State Gambling **Counselor** Certification Committee or the International Gambling Counselor Certification Board as outlined in WAC 246-341-0754.’*

Forgot the ‘Counselor’ !

Roxane Waldron, MPA

Problem Gambling Program Manager

Division of Behavioral Health and Recovery

Health Care Authority

work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*

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Sent: Friday, October 1, 2021 3:15 PM

To: Tana Russell <trussell@evergreencpg.org>; Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>

Cc: Maureen Greeley <Mlgreeley@evergreencpg.org>

Subject: RE: Question for you

Hi All,

Tana, that's for jumping in to clarify—I knew ECPG would be able to clarify this language. Apologies for the length of my replies—Tina, I know we all want to get this right for you the first time.

Tina, just to clarify—DOH does do all the BH agency & individual licensures. In order to become a *Certified Gambling Counselor*, you must already be a licensed mental health counselor or substance use disorder professional--THEN you can enter the certification program with Evergreen Council on PG or you can go through the International Board for certification.

Here's my suggested language:

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- Tribal attestation if for agencies, not individuals. In order to offer problem gambling treatment, all non-Tribal WA State behavioral health agencies that want to offer pg treatment have to be certified as problem gambling agencies by DOH. The agency requirements are in [WAC 246-341-0754](#)--the main requirement is that an agency must have a Certified Gambling Counselor in good standing on staff. [Tribal Attestation](#) would allow Tribal BH agencies to not have to fulfill requirements of the WAC in order to offer services.
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I hope this helps?

Roxane Waldron, MPA

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Sent: Friday, October 1, 2021 1:45 PM
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Cc: Maureen Greeley <Mlgreeley@evergreencpg.org>; Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Subject: RE: Question for you

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Tana Russell, SUDP, NCTTP, WSCGC-II

Assistant Director

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Olympia, WA 98506

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F: 360.352.4133

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<https://www.evergreencpg.org/news/celebrating-30-years-of-service/>

From: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>

Sent: Friday, October 1, 2021 8:31 AM

To: Tana Russell <trussell@evergreencpg.org>

Subject: RE: Question for you

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From: Tana Russell <trussell@evergreencpg.org>

Sent: Friday, October 1, 2021 8:29 AM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Cc: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>; Maureen Greeley <MIgreeley@evergreencpg.org>
Subject: RE: Question for you

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Tana Russell, SUDP, NCTTP, WSCGC-II

Assistant Director

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Sent: Friday, October 1, 2021 8:12 AM
To: Tana Russell <trussell@evergreencpg.org>
Cc: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>
Subject: FW: Question for you

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Thank you,

Tina Griffin
Interim Director
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504
360-507-3456
tina.griffin@wsgc.wa.gov



From: [Robbins, Rashida \(GMB\)](#)
To: [Chinn, John \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#)
Subject: FW: Washington State Gambling Commission Self-exclusion program
Date: Wednesday, September 22, 2021 3:05:15 PM

Hello,

I received this email from one of the certified gambling counselors today.

Thank you,

Rashida Robbins
Washington State Gambling Commission
Administrative Assistant 3, LRED
4565 7TH Ave SE
Lacey, WA, 98503
rashida.robbsins@wsgc.wa.gov

From: Brad Galvin | Brief Therapy Works <brad@brieftherapyworks.com>
Sent: Wednesday, September 22, 2021 2:53 PM
To: Robbins, Rashida (GMB) <rashida.robbsins@wsgc.wa.gov>
Subject: Re: Washington State Gambling Commission Self-exclusion program

External Email

Overall, this is very well-written. I applaud your effort. I have had a chance to review the attached documents. Here are some of my thoughts:

- I would suggest no automatic reinstatement after self-exclusion and that only lifetime bans be offered, however with the option of seeking reinstatement after 1 year.
- I would be open to supporting my clients to ban themselves so that they don't have to mail in an application or do so at the gambling commission office.
- I would also support making it possible for someone to ban themselves online.
- I am also curious as to whether it's possible for someone to ban themselves from sports gambling now that it is becoming legal in the state.

Brad Galvin, MS, LMHC, LPC, SUDP, ICGC-II
EMDR Certified Addiction and Trauma Therapy Specialist
Washington State Gambling Counselor Supervisor
WA LH60486511/CP6293 | AK LPC 173865 | ICGC 1191
Brief Therapy Works

**600 Stewart St., Suite 400
Seattle, WA 98101
206.339.4546 (w)
206.299.2159 (f)
brieftherapyworks.com**

*"I wish I could show you
When you are lonely or in darkness
The astonishing light of your own being!"
~ Hafiz*

Confidentiality Notice

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On 9/16/2021 at 2:04 PM, "Rashida Robbins (GMB)" <rashida.robbins@wsgc.wa.gov> wrote:

Hello Brad,

I am emailing you on behalf of John Chinn in hopes that you will review the attachments and provide feedback.

Thank you for your time.

Rashida Robbins
Washington State Gambling Commission
Administrative Assistant 3, LRED
4565 7TH Ave SE
Lacey, WA, 98503
rashida.robbins@wsgc.wa.gov

From: [Robbins, Rashida \(GMB\)](#)
To: [Chinn, John \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#)
Subject: FW: EXTERNAL: Washington State Gambling Commission Self-exclusion Program
Date: Thursday, September 16, 2021 2:21:40 PM

From: Hilarie Cash <hilarie.cash@restartlife.com>
Sent: Thursday, September 16, 2021 2:18 PM
To: Robbins, Rashida (GMB) <rashida.robbs@wsgc.wa.gov>
Subject: Re: EXTERNAL: Washington State Gambling Commission Self-exclusion Program

External Email

This proposal sounds very good to me. I believe that counselors would provide a reliable source of recommendation/verification. And I like the tiered approach to self-exclusion. Beyond this, I don't have further suggestions.

Thanks,

H

Hilarie Cash, PhD, LMHC, CSAT, WSGC
Founding Member, Chief Clinical Officer (CCO),
Education Director
hilarie.cash@restartlife.com

reSTART Life, PLLC
1001 290th Ave SE . Fall City, WA. 98024-7403
connect@restartlife.com
Tel: 800.682.6934, extension 6
Fax: 888.788.3419

restartlife.com * therestartgroup.com * netaddictionrecovery.com

"Get out and enjoy your life. There's no app for that."

Although our team at reSTART strives to read all incoming emails within 24 hours, our ability to respond to your email may be as long as 3 working days as we practice sustainable digital media use as an organization.

From: Robbins, Rashida (GMB) <rashida.robbs@wsgc.wa.gov>
Sent: Thursday, September 16, 2021 2:14 PM
To: Hilarie Cash <hilarie.cash@restartlife.com>
Subject: EXTERNAL: Washington State Gambling Commission Self-exclusion Program

Hello,

I am emailing you on behalf of John Chinn in hopes that you will review the attachments and provide feedback.

Thank you for your time.

Rashida Robbins
Washington State Gambling Commission
Administrative Assistant 3, LRED
4565 7TH Ave SE
Lacey, WA, 98503
rashida.robbsins@wsgc.wa.gov

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From: [Robbins, Rashida \(GMB\)](#)
To: [Laydon, Ashlie \(GMB\)](#); [Chinn, John \(GMB\)](#); [Hughes, Tony \(GMB\)](#)
Cc: [Griffin, Tina \(GMB\)](#)
Subject: FW: Washington State Gambling Commission Self-exclusion Program
Date: Thursday, September 30, 2021 4:29:56 PM
Attachments: [WAC 230-23 Self- Exclusion revised - TR suggested edits 9.30.21.docx](#)
[Voluntary-Self-Exclusion-Best-Practices.ECPG - July-2021 \(1\).pdf](#)

Hello,

I received this email from Tana Russell.

Thank you,

Rashida Robbins
Washington State Gambling Commission
Administrative Assistant 3, LRED
4565 7TH Ave SE
Lacey, WA, 98503
rashida.robbins@wsgc.wa.gov

From: Tana Russell <trussell@evergreencpg.org>
Sent: Thursday, September 30, 2021 4:17 PM
To: Robbins, Rashida (GMB) <rashida.robbins@wsgc.wa.gov>
Subject: RE: Washington State Gambling Commission Self-exclusion Program

External Email

Hello, thank you so much for reaching out to counselors for input. I've added some thoughts in the attached documents. It's a great WAC to work off of and I hope I am able to add some value to the process.

I spoke up about this in the PGTF meeting on 9/29 (Tina Griffin was present), and my apologies that I'm just now getting this input back to you. I'm sure others have some valuable input as well.

I've also attached our Voluntary Self-Exclusion best practices guidelines, which summarizes the key research findings from across the country (globe, actually) on this very subject. I hope that may also be helpful?

Tana Russell, SUDP, NCTTP, WSCGC-II

Assistant Director

1821 Fourth Avenue East

Olympia, WA 98506

P: 360.352.6133 x5541

F: 360.352.4133

www.evergreencpg.org

When gambling becomes a problem, there's hope. Stop. Breathe. Connect.

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<https://www.evergreencpg.org/news/celebrating-30-years-of-service/>

From: Robbins, Rashida (GMB) <rashida.robbins@wsgc.wa.gov>

Sent: Thursday, September 16, 2021 2:17 PM

To: Tana Russell <trussell@evergreencpg.org>

Subject: Washington State Gambling Commission Self-exclusion Program

Hello,

I am emailing you on behalf of John Chinn in hopes that you will review the attachments and provide feedback.

Thank you for your time.

Rashida Robbins

Washington State Gambling Commission

Administrative Assistant 3, LRED

4565 7TH Ave SE

Lacey, WA, 98503

rashida.robbins@wsgc.wa.gov

Chapter 230-23 WAC
SELF-EXCLUSION

NEW SECTION

WAC 230-23-001 Purpose. The purpose of this chapter is to establish a centralized, statewide self-exclusion program, administered by the commission, allowing a person with a ~~gambling problem or gambling disorder~~ to voluntarily exclude themselves from licensed house-banked card rooms and participating tribal gaming facilities.

[]

NEW SECTION

WAC 230-23-005 Definitions. The following definitions apply only to this chapter:

(1) "Licensee" means a house-banked card room licensee.

(2) "Participant" means a person who has enrolled in the voluntary self-exclusion program.

(3) "Self-exclusion list" means a list maintained by the commission of persons who have requested to be voluntarily excluded

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Commented [TR1]: A. Recommend to not have this language here, it can just say..."allowing a person to voluntarily exclude..." Also, in the language on WAC 230-23-010 it states, "any person may request... ." Which is perfect.

B. A person's status as having any addiction disorder is protected by HIPAA 42CFR Part B, it is important for staff to be trained that the applicant should not have to disclose as having a "gambling problem" or "gambling disorder" or being in counseling, in order to self-exclude.

C. Alt. Example: A person who just got their kid's first college tuition bill may choose to cut back on their hobby-spending for a time, and that might include gambling. Self-exclusion is a GREAT program and is not limited in its usefulness to only those with PG/GD.

from house-banked card room licensees and participating tribal gaming facilities in the state of Washington.

(4) "Voluntary self-exclusion program" or "program" means the voluntary self-exclusion program authorized under RCW 9.46.071, and does not apply to gambling via horse-racing or lottery.

[]

NEW SECTION

WAC 230-23-010 Request for self-exclusion. (1) Any person may request to be placed on the self-exclusion list voluntarily excluding themselves from house-banked card room licensees:

(a) In person at our office, 4565 7th Avenue S.E., Lacey, Washington 98503, or at a house-banked card room licensee by:

(i) Submitting a completed form, which we provide on our website at www.wsgc.wa.gov; and

(ii) Providing proof of identity. Acceptable forms of identification include:

(A) A valid driver's license from any state;

(B) A government-issued identification card containing the person's name, photograph, and date of birth; or

(C) A valid passport; and

(iii) Submitting a photograph showing only the head and shoulders; or

(b) Through the mail to Washington State Gambling Commission, P.O. Box 42400, Olympia, Washington 98504 by:

(i) Submitting a completed form, which we provide. The form must be notarized by a Notary Public, or signed by a certified gambling counselor, or ; and

(ii) Submitting a photograph showing only the head and shoulders.

(2) The form must be:

(a) Completed with no areas left blank; and

(b) Signed under penalty of perjury by the person seeking self-exclusion; and

(c) Be properly notarized by a Notary Public, or signed by a certified gambling counselor, or , if submitting by mail.

(3) Upon receipt of a completed form, the licensee will forward it to us within 72 hours.

(4) The Commission must begin exploring an online self-exclusion enrollment process within 6 months of modernizing legacy information technology systems.

[]

Commented [TR2]: Clarify that a Notary Public would be notarizing it, not a counselor

Commented [TR3]: It's great to give people options because notaries can be hard to find sometimes. However, a Certified Gambling Counselor is required by HIPPA to protect client confidentiality, so understand that asking a person to have a Certified Gambling Counselor sign it means they will face the following:

- 1.A choice of only about 40 counselors in the state
- 2.Must meet with them in-person
- 3.Will likely also be asked to fill-out/sign a written Releasee of Protected Health Information, for the counselor to have record/ documentation that the client is asking for the signature, and for what reason, and to whom it will be going.

So it's not just a simple signature. You can keep it on there, but you might want a 3rd option, such as signatures of two witnesses?

Commented [TR4R3]: Will there be a later phase for an electronic submission? There are many ways to confirm identity online, sign digitally, and take photo verification, that may be useful for this.

Commented [TR5]: Suggest add "Probation/Parole officer", or "EAP officer", if the applicant is already involved in either of those services, they would be able to verify their identity as well.

Commented [TR6]: Same: Suggest add "Probation/Parole officer", or "EAP officer", if the applicant is already involved in either of those services, they would be able to verify their identity as well.

Commented [TR7]: Recommend eliminating instances of "us" or "we". Why 72hrs, and does that include evenings, weekends, or holidays?

NEW SECTION

WAC 230-23-015 Period of enrollment. (1) At the time of enrollment, the participant must select a period of enrollment for self-exclusion:

- (a) One year;
- (b) Three years;
- (c) Five years; or
- (de) Ten years.

(2) The enrollment period selected begins and the participant is considered enrolled:

- (a) Upon receipt of the notarized form by mail; or
- (b) The date the completed form was accepted by the licensee or by us when submitted in person.

(3) Once enrolled, the participant cannot be removed from the program prior to the selected period of enrollment for voluntary self-exclusion.

~~(4) Upon expiration of the selected period of enrollment, the participant will be removed from the program. Forty-five (45) days prior to the expiration date, a notification will be sent to the individual notifying them of the expiring self-exclusion term and~~

Commented [TR8]: Include a statement of how the participant will be informed that the application was received, when it was received, that their request was granted, when the expiration date is, and RE-STATING for them what is outlined in **230-23-020**

~~active reinstatement process. This notice will include a process for renewing the self-exclusion term for the same or different term. If no response is received by the expiration date, the existing self-exclusion term will expire, and the individual will be removed from the active list permitted to reinstate at any time. The individual has the option of reapplying at any time by submitting a new request.~~

[]

NEW SECTION

WAC 230-23-020 Voluntary self-exclusion. Participants who voluntarily self-exclude acknowledge the following during the period of enrollment:

(1) The ultimate responsibility to limit access to all house-banked card rooms and participating tribal gaming facilities within the state remains theirs alone; and

(2) The self-exclusion request is irrevocable during the enrollment period selected and cannot be altered or rescinded for any reason; and

(3) The exclusion is in effect at all licensed house-banked card rooms and participating tribal gaming facilities in the state of

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Commented [TR9]: ECPG recommends an Active Reinstatement Process, whereby the individual must apply to be reinstated (preferably in writing). This allows, yet again, an opportunity to provide the individual with support and information regarding treatment and support resources, rather than a Passive Reinstatement where the individual can automatically re-enter the facility after the end of the exclusion period.

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Washington, which is subject to change, and all services and/or amenities associated with these gaming facilities including, but not limited to, restaurants, bars, bowling alleys, check cashing services, cash advances; and

(4) Player club memberships and accounts will be closed and all accumulated points immediately redeemed for nongaming items as the licensee's policy allows at the licensed location the participant initially enrolls for self-exclusion. All player club memberships and accounts held at other licensees and participating tribal gaming facilities will be closed and zeroed out; and

(5) New player club memberships, direct mail and marketing service complimentary goods and services and other such privileges and benefits will be denied; and

(6) Disclosure of certain information is necessary to implement the participant's request for self-exclusion; and

(7) If found on the premises of a house-banked card room licensee or participating tribal gaming facility, for any reason other than to carry out their duties of employment, they will be escorted from the premises; and

(8) All money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the

purchase of chips and/or participating in authorized gambling activities will be confiscated under RCW 9.46.071 and WAC 230-23-030; and

(9) To not recover any losses from the purchase of chips and/or participating in authorized gambling activities.

[]

NEW SECTION

WAC 230-23-025 Disclosure of self-exclusion information. (1)

Personal information submitted by a participant under the self-exclusion program is exempt from public disclosure under the Public Records Act and may not be disseminated for any purpose other than the administration of the self-exclusion program or as otherwise permitted by law.

(2) No house-banked card room licensee, employee, or agent thereof shall disclose the name of, or any information about any participant who has requested self-exclusion to anyone other than employees and agents of the house-banked card room licensee whose duties and functions require access to such information.

Commented [TR10]: I recommend that there needs to be a Release of Information form, or simply part of the self-exclusion application form, that allows a patron to grant permission for certain persons, such as a spouse/friend/family member, parole/probation officer, EAP officer, counselor (whomever they put down, ie. Name and relationship to signee) to be told that they have self-excluded, should they ASK. This does NOT mean the licensee has to notify that person, only that they are permitted to answer truthfully, should that person ask if the self-excluded individual has self-excluded.

If at any point after a person has self-excluded, they want to sign a release for someone to be able to get confirmation of their self-exclusion status from the licensee, they should be able to request that post-original-submission as well.

This section may need to include language such as:

"No house-banked card room licensee, employee, or agent thereof shall disclose . . . to anyone other than employees and agents of the house-banked card room licensee whose duties and functions require access to such information, [or as designated by the participant via signed release of information authorization.]"

(3) The licensee may release the names and identifying information of participants on the self-exclusion list to contracted service providers that provide check cashing, cash advances, marketing, automated teller machines, and other financial services.

(a) The identifying information must be limited to the address, driver's license or state-issued identification number, photograph, and physical description; and

(b) Only the name and identifying information may be disclosed to contracted service providers. The licensee must neither disclose the reasons for providing the name and identifying information nor disclose that the person is on the self-exclusion list; and

(c) The licensee must require by written contract that the contracted service provider implement measures designed to ensure the confidentiality of the names and identifying information and to prohibit the release of the names and identifying information to any other person or entity; and

(d) The licensee must immediately report to us all instances of a participant accessing or attempting to access the services provided by the contracted service providers.

[]

NEW SECTION

WAC 230-23-030 Licensee responsibilities. Each licensee must:

- (1) Make available to all patrons the self-exclusion form developed and provided by us; and
- (2) Accept completed self-exclusion forms, including:
 - (a) Verifying the participant's identity as required on the form; and
 - (b) Forwarding the form to us within 72 hours of receipt; and
- (3) Upon enrollment, provide the participant with information and resources for help, recovery, or treatment of gambling problems or gambling disorders~~—treatment~~; and
- (4) Designate a person or persons to be the contact person with us for purposes of self-exclusion procedures, including receipt and maintenance of the self-exclusion list, submission of the licensee's procedures, and all other communications between us and the licensee for self-exclusion purposes; and
- (5) Implement updates to the state-wide self-exclusion list within 48 hours of being notified by us that the self-exclusion list has been modified; and

Commented [TR11]: Treatment is not the only option in a Multiple Pathways model and often the last method chosen. I recommend that the resource list should include community-based, online, AND treatment resources, at the minimum. I'm happy to provide a list if desired: trussell@evergreencpg.org

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Commented [TR12]: Recommend eliminating instances of "us" or "we"?

(6) Upon discovery that a participant has breached their self-exclusion and obtained access to the licensed premises, the licensee must take steps to:

(a) Immediately remove the participant from the premises; and

(b) Confiscate all money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities; and

(c) Notify us of the breach within 72 hours; and

(7) Train all new employees, within three days of hiring, and annually retrain all employees who directly interact with gaming patrons in gaming areas. The training must, at a minimum, consist of:

(a) Information concerning the nature of gambling disorders; and

(b) The procedures for requesting self-exclusion; and

(c) Assisting patrons in obtaining information about gambling problem and gambling disorder community-based and treatment programs.

This section must not be construed to impose a duty upon employees of the licensee to identify individuals with gambling problems or gambling disorders or impose a liability for failure to do so; and

Commented [TR13]: Could use terms such as:

"Crisis services"
"Recovery services"
"Counseling services"
"community groups"
"help resources"
"financial services"

"treatment programs" alone limits the options available to those seeking help services for the extensive variety of gambling-related problems and crisis they may be experiencing.

Also, Gambling "treatment programs" are non-existent in some areas of the state, so it would be necessary for those areas to provide resources that ARE available, whether that's counselors in private-practice, or community-level support, or other.

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(8) Notify participants who have requested to be excluded from house-banked card room licensees of this rule of the new statewide program, provide them with the form, and information on how they can participate in the statewide self-exclusion program. This must be accomplished within three business days following the effective date of this rule; and

(9) Establish procedures and systems for our review and approval, which:

(a) Utilize player tracking systems and other electronic means, including checking all taxable patron winnings against the self-exclusion list, to assist in determining whether a participant has engaged in any authorized activities; and

(b) Close player club memberships and accounts. All accumulated points may be immediately redeemed by the participant for nongaming items as the licensee's policy allows at the licensed location the participant initially enrolls for self-exclusion. All player club memberships and accounts held at other licensees and participating tribal gaming facilities will be closed and zeroed out; and

(c) Deny check cashing privileges, player club membership, complimentary goods and services, and other similar privileges and benefits to any participant; and

(d) Ensure participants do not receive targeted mailings, telemarketing promotions, player club materials, or other promotional materials relative to gaming activities at house-banked card room licensees; and

(e) Verify patrons who win a jackpot prize are not participants of the program before payment of funds; and

(f) Ensure participants are not gambling in their establishment; and

(g) Ensure the confidentiality of the identity and personal information of participants; and

(h) All money and things of value, such as gaming chips, obtained by or owed to the participant as a result of prohibited wagers or the purchase of chips and/or participating in authorized gambling activities are confiscated under RCW 9.46.071, in which the licensee will:

(i) Issue a check for the same monetary value within three business days after collecting or refusing to pay any winnings from gambling or chips in the possession of a participant on the self-exclusion list to:

(A) The problem gambling account created in RCW 42.05.751; and/or

Commented [TR14]: Here, and in alternate related instances, should the language include tribal casinos that opt-in to the program?

As in the language used on page 1, 230-23-001: "licensed house-banked card rooms and participating tribal gaming facilities."

Commented [TR15]: YES! Thank you!

(B) A charitable or nonprofit organization that provides [gambling problem or gambling disorder services](#) or increases awareness about [gambling problems or gambling disorders](#); and

(ii) Document and retain for one year:

(A) Surveillance evidence identifying the date, time, and amount of money or things of value forfeited, the name and identity verification of the participant on the self-exclusion list; and

(B) A copy of the canceled check remitting the forfeited funds as required above.

[]

NEW SECTION

WAC 230-23-035 Sharing the self-exclusion list. We may enter into mutual sharing agreements with federally recognized Indian tribes or tribal enterprises that own gambling operations or facilities with class III gaming compacts who wish to voluntarily participate in the self-exclusion program.

[]

NEW SECTION

WAC 230-23-040 Annual reporting. Commission staff must report annually on the efficacy of the self-exclusion program, including:

- (1) Number of participants enrolled in the program;
- (2) Licensee compliance;
- (3) Participant compliance, including number of breaches; and
- (4)



EVERGREEN
council on problem gambling

BEST PRACTICES AND BROAD PERSPECTIVES FOR VOLUNTARY SELF-EXCLUSION PROGRAM DEVELOPMENT

The Evergreen Council on Problem Gambling (ECPG) is a 501(c)(3) nonprofit organization committed to providing services and programs for those with a gambling or gaming problem/Gambling Disorder, their families, employers, students, treatment professionals, and the greater community through gambling addiction treatment support, information and education, advocacy, research, and prevention efforts. Founded in 1991, ECPG maintains a position of neutrality on gambling and gaming, recognizing that most people who gamble do so for recreation and suffer no serious problems. However, for some, gambling becomes a serious addiction, devastating to the individual and family. ECPG is the Washington State Affiliate of the National Council on Problem Gambling.

ECPG MISSION

The Evergreen Council on Problem Gambling is dedicated to increasing awareness of public health issues around problem gambling and gaming, expanding the availability and integration of services, and supporting advocacy, research, and programs for education, prevention, treatment, recovery, and responsible gambling and gaming.

Supporting the Gaming Industry's efforts to provide information and tools to reduce harms by offering Voluntary Self-Exclusion Programs is an important part of ECPG's work. Our Council provides this brief overview of *Best Practices and Broad Perspectives* to assist Gaming Operators in developing Voluntary Self-Exclusion Programs that are designed to help and empower people in getting the help they need to address their gambling problems and achieve their health goals.

CONTENTS:

Introduction

Expectations and Purpose

Guest Interaction and Registration

Support Services and Resources

Self-Exclusion Period/Term Options

Self-Exclusion Extension and/or Active Reinstatement

Compliance and Breaches of Agreement

Promoting Awareness of Self-Exclusion Program

Breaking Down Barriers

References and Resources

Note: This is a brief overview only. Each content area has many components to consider and will, undoubtedly, bring up additional questions. Please do not hesitate to let our ECPG Staff know if there are other ways we can assist in discussions, planning, and program development.

INTRODUCTION

Self-exclusion is, first and foremost, a tool for individuals who believe that they have a problem with gambling and can voluntarily bar themselves from entering one or more gambling venues to help prevent their gambling behaviors. Most people report that they decided to self-exclude themselves, although family and friends may also play a role in the decision to self-exclude. Financial problems often constitute the main reason for self-exclusion and most people report that they are unable to stop gambling of their own accord. Severe financial hardship, stress caused by their gambling problems that affect their physical and mental health, desperation, and suicidal thoughts are all among the feelings shared by individuals as they contemplate signing up for Self-Exclusion Programs.

When people are considering self-exclusion, they are looking for help. Voluntary Self-Exclusion Programs are important tools that the Gaming Industry can offer their guests to enhance customer service and corporate responsibility, support harm-minimization, and assist self-excluding individuals to get the help they need to address their problems and achieve their goals. Self-Exclusion programs should help and empower people, not make them feel like criminals. Here is some of the information gleaned from research that may be helpful when considering development of Self-Exclusion Programs.

Despite evidence for effectiveness, only a small proportion of individuals with gambling-related problems or Gambling Disorder ever seek treatment and support resources for their problem. Voluntary self-exclusion (VSE) programs are an ideal circumstance to engage individuals who are reluctant or have not yet sought formal treatment, given that individuals are already electing to prevent themselves from gambling through self-exclusion. (Yakovenko, I., & Hodgins, D. (2021). Effectiveness of a voluntary casino self-exclusion online self-management program. *Internet Interventions* 23 (2021) 100354 Elsevier B.V.)

This self-directed intervention is often the first serious attempt a person makes to control their gambling (Blaszczynski et al. 2004).

Participants in self-exclusion programs state that the program had been very helpful in regaining control of their financial affairs and overcoming relationship problems. Furthermore, many participants found the process of enrolling into the program empowering and saw it as the start of their recovery. (Croucher et al. 2006)

Benefits include participants reporting decreases in gambling expenditure and improved financial circumstances; decreases in gambling frequency and time spent gambling; reduction in problem gambling severity and negative consequences of gambling; reduction in related psychological difficulties including depression and anxiety; and feeling they have more control of their circumstances. (Gainsbury 2014)

EXPECTATIONS AND PURPOSE

For Voluntary Self-Exclusion Programs to be effective, clear information about the self-exclusion program and wide promotion of the program are both important. Casino staff and Tribal Gaming Authority/Regulators should have an effective training program for all staff who have a role in enforcing the self-exclusion program, including refresher training.

“The features and principles of a self-exclusion program should be fully understood by individuals who wish to self-exclude, employees of gaming venues, gaming venue operations, and regulatory bodies. This is essential in order to clarify expectations regarding the role and limits of all parties including legal and governmental authorities and avoid unrealistic expectations and unfair criticisms.” (Gainsbury 2014)

Some of the areas that must be covered with the guest at the time of Self-Exclusion Registration (pursuant to the Gaming Venue’s Policies and Procedures):

- Agreement not to enter gaming areas, not to play gaming machines, or not to enter the venue at all
- Authorizing Casino/Regulatory staff to stop them from entering or remaining in a gaming area or venue from which they are excluded
- Accept their personal responsibility to stay away from the venue
- Clear roles and expectations, including how compliance breaches will be managed; and how Self-Exclusion Extensions or Reinstatements are handled
- Clear description of Self-Exclusion term options – let the individual choose, do NOT lead them into any particular option
- Clear information on player cards and loyalty points (does individual have more than one player card or is registered under more than one name?)
- Cessation of promotional materials
- Winnings forfeiture policies
- Share options for support resources (treatment and recovery resources; financial management counseling; community resources)

GUEST INTERACTION AND REGISTRATION

Registration in a Voluntary Self-Exclusion Program should not be cumbersome or stigmatizing to the guest. Staff training at multiple access points is key to ensuring consistency and a professional process.

- Make registration available at multiple access points (casino, TGA and/or Corporate offices; Health Care services location; casino hotel guest services...)
- Registration should take place in a comfortable, private, friendly setting that ensures confidentiality and respects the individual (don't make them feel like a criminal or engage in stigmatizing behaviors and verbal communications – encourage the guest in making healthy gaming choices that can include self-exclusion as an individual tool to support those choices.)
- Ensure all processes and procedures are consistent regardless of where registration takes place (use the same forms; take the same type and size of picture; same staff training...)
- Staff interacting with guests during the Self-Exclusion Registration should be specially selected and trained to provide a responsive, respectful, and professional process. Trained “Ambassadors/Supervisors” should conduct meeting, explanations, and registration.
 - Do not offer the guest an opportunity to engage in “one last bet” or to “finish spending their free-play money.”
 - Self-Exclusion Registration should be handled discreetly and in a timely fashion. It is best to offer the guest a seat in a comfortable, quiet, private area. If, for any reason, the guest is asked to wait for assistance with Self-Exclusion Registration, do not offer or ask the guest to wait at a gaming machine or gaming table, or within or near the gaming floor.

SUPPORT SERVICES AND RESOURCES

Ensure that information on resources and/or actual resources are available to assist players.

- Share options for support resources (treatment and recovery resources; financial management counseling; community resources)

People using self-exclusion programs noted the following items that should be stronger: Many gamblers felt that the programs did not provide them with sufficient resources on problem gambling treatment and support during the ban period; that the detection process was not strong enough; the program was not well advertised; and they should be able to renew a self-exclusion agreement without going back to the casino (Ladouceur et al. 2000).

All self-exclusion participants' names must be removed from marketing lists and participants should be made aware that any winnings during the self-exclusion period (indicating the individual has breached the self-exclusion agreement) will be forfeited and made available to a Tribal or nonprofit organization that supports prevention/awareness, treatment, and recovery support for those affected by problem gambling.

SELF-EXCLUSION PERIOD/TERM OPTIONS

(No Early Reinstatement Options)

Periods of self-exclusion in gaming venues across the world vary substantially. But most often options range from 6 months to irrevocable lifetime bans.

Almost all research indicates that it is best to offer a range of exclusion time periods. ECPG recommends a minimum of 1 year to allow individuals sufficient time to enter treatment if desired. Longer bans may be more effective, and ECPG recommends offering the Lifetime (irrevocable) **option** for those who might choose it. Offer one or two other interim options (2 years and/or 3 years) that are not Lifetime so that individuals have choices that do not deter them from registering for the self-exclusion program when only a Lifetime exclusion is offered. “In general, most participants felt that longer bans were better because they felt that most gamblers with problems do not realize how serious their problems are at the time of self-exclusion. Most participants recommended a minimum ban length of one year because they felt that shorter bans were easy to wait-out and did not provide enough time for people who had self-excluded to stabilize and develop healthier behaviours.” (Responsible Gambling Council, 2008)

ECPG RECOMMENDED SELF-EXCLUSION TERMS:

1 year

2 year

3 year

Lifetime (irrevocable)

SELF-EXCLUSION EXTENSION AND/OR ACTIVE REINSTATEMENT

A reinstatement process should be put in place before the self-excluded individual is permitted re-entry into casino/gaming facilities. Prior to the end of the self-exclusion term, individuals should be contacted with appropriate information and clear details regarding reinstatement requirements. Individuals should be able to extend the Self-Exclusion period.

ECPG recommends an Active Reinstatement Process, whereby the individual must apply to be reinstated (preferably in writing). This allows, yet again, an opportunity to provide the individual with support and information regarding treatment and support resources, rather than a Passive Reinstatement where the individual can automatically re-enter the casino after the end of the exclusion period. If the individual does not initiate reinstatement prior to the initial term end, then the ban, as well as any consequences for breaches, would continue in force. (NOTE: This needs to be clearly stated on Self-Exclusion forms and materials and explained carefully to the individual – suggest signing/initially next to this provision).

Even if reinstatement is granted, suggest a 30-day waiting period after approval and resend a package with information on problem and responsible gambling, treatment and recovery resources, and financial management counseling options.

Determine how many times you want to offer an extension before the ban should be permanent. Suggestion: Initial Self-Exclusion; Second (Extension); with Third Request – consider initiating Lifetime Self-Exclusion as permanent/irrevocable ban.

COMPLIANCE AND BREACHES OF AGREEMENT; CONSEQUENCES

(Enforcement and Support)

Be clear upfront on what the consequences are and make sure you use any breach as another opportunity to share treatment and support resources with respect and confidentiality. Potential consequences might include:

- Verbal warning and/or warning letter – in discreet and respectful meeting with a trained Ambassador/Supervisor
- Escorted off premises
- Trespass charge
- Fines (not recommended by ECPG)
- Forfeiture of any winnings while Self-Excluded (winnings to go to Tribal or nonprofit program for problem gambling prevention/awareness, treatment, and recovery supports.)

PROMOTING AWARENESS OF SELF-EXCLUSION PROGRAM

Most gaming venues have great opportunities to advertise self-exclusion programs on their websites and through print materials and displays throughout the casino, including in “discreet locations” such as restrooms; on ATM machines; potential for information kiosk/Responsible Gaming Center within casino.

Promotion of the self-exclusion program as well as support services and resources should be available at the casino as well as information provided in the general community and through health and mental health centers and other relevant support services. Relevant professionals (treatment professionals, financial counselors, court systems) should all be informed about the program so that they may refer clients as appropriate.

A major aspect of promoting self-exclusion programs is educating casino/gaming staff, Tribal Gaming Authority and other regulatory staff at every level on the program. Anyone interacting with a guest should be aware of the program and how to access it in a timely manner. Create a *Culture of Responsible Gaming* throughout your venue and at all levels – from the top down.

BREAKING DOWN BARRIERS

Individuals who have experienced the self-exclusion process report mixed feelings in a wide variety of studies and reports. When the staff is supportive and compassionate, the guest felt comfortable. Often, however, reports that staff were rude, uncaring, and disrespectful, or staff and situations (isolated dark rooms behind the security office; noisy areas that didn't offer privacy) that made the guest feel "like a criminal" were barriers.

It is important to remove any unnecessary complexities in the application and registration process, including for those who have limited proficiencies in English, and unnecessary legal jargon....Individuals should have the ability to enact agreements away from gaming venues, such as at a central administrative office, with a health or mental health treatment provider or legal professional, or via the Internet or mail. (Gainsbury 2014)

During the process of enrollment, privacy and confidentiality were an important concern. Venue staffs' attitude was also frequently criticized: staff members were perceived as not sufficiently briefed on the process and did not provide reasonable sensitivity, encouragement, or support. (Hing, Nuske, et al, 2015; Hing et al, 2014).

RESOURCES AND REFERENCES

Croucher, J.S., Croucher, R.F., & Leslie, J.R. (2006) *Report of the Pilot Study on the Self-Exclusion Program conducted by GameChange (NSW)*.

Gainsbury, S.M. (2014) *Review of self-exclusion from gambling venues as an intervention for problem gambling. **Journal of Gambling Studies**, 30(2), 229-251.*

Hing, N., Nuske, E., Tolchard, B, & Russell, A (2015). *What influences the types of help that problem gamblers choose? A preliminary grounded theory model. **International Journal of Mental Health Addiction**, 13(2), 241-256.*

Hing, N. Tolchard, B., Nuske, E., Holdsworth, L. & Tiyce, M. (2014). *A process evaluation of a self-exclusion program: A qualitative investigation from the perspective of excluders and non-excluders. **International Journal of Mental Health and Addiction**, 12(4), 509-523.*

Ladouceur, R., Jacques, C., Giroux, I., Ferland, F., & Leblond, J. (2000) *Analysis of a casino's self-exclusion program. **Journal of Gambling Studies** 16, 453-460*

Responsible Gambling Council (2008) *From Enforcement to Assistance: Evolving Best Practices in Self-Exclusion*

Yakovenko, I., & Hodgins, D. (2021) *Effectiveness of a voluntary casino self-exclusion online self-management program. **Internet Interventions** 23 (2021) 100354 Elsevier B.V.*



Washington State Certified Gambling Counselors
 (Names in [Blue](#) are also Nationally Certified Gambling Counselors)

Ronald Bruesch, SUDP, NCAC-I, WSCGC-I

(425) 308-2638 or (360) 572-3526
 Stillaguamish BHP
 5700 172nd Street NE Suite B
 Arlington, WA 98223

Janai Carraway, M.Ed, LMHC, SUDP, WSCGC-II, NCC

(206) 478-8356
 4509 Talbot Road S
 Renton, WA 98055

Hilarie Cash, LMHC, PhD, WSCGC-I

(425) 625-9731
 reSTART
 1001 290th Ave SE
 Fall City, WA 98024

[William Castillo, Jr., LMHC, SUDP, WSCGC-II, ICGC-I](#)

(206) 932-6638
 Westwood Counseling Services
 1725 Roxbury Avenue SW Suite 5
 Seattle, WA 98106
 Other languages spoken: Spanish

[William Castillo, Jr., LMHC, SUDP, WSCGC-II, ICGC-I](#)

(425) 646-4406
 Coastal Treatment Services
 12835 Bel-Red Road Suite 145
 Bellevue, WA 98005
 Speaks Spanish

Gary Cooper, BS, SUDP, WSCGC-I

(509) 865-5121 ext 4461
 Yakama Nation Problem Gambling Program
 PO Box 367
 Toppenish, WA 98948

Melissa Deveau-Laws, LICSW, SUDP, WSCGC-I

(253) 536-6425
Prosperity Wellness Center
12201 Pacific Ave S
Tacoma, WA 98444

Kelly Duke, SUDP, WSCGC-I

(509) 838-6092
New Horizon Care Centers
701 E 3rd Avenue
Spokane, WA 99202

James Follman, M.Ed, LMHC, SUDP, WSCGC-II

(360) 755-1125
Follman Agency
910 Anacortes Street
Burlington, WA 98233

Troy Green, SUDP, WSCGC-I

(360) 352-1052
Balanced Perspectives
2584 RW Johnson Blvd SW Suite 101
Tumwater, WA 98512

Susan Harris, MS, WSCGC-II, ICGC-II, BACC

(360) 840-5918
Butterfly Wings
317 10th St
Long Beach, WA 98631

Virginia Harris, SUDP, WSCGC-I

(360) 493-5133
Providence St. Peter Chemical Dependency Center
4800 College Street SE
Lacey, WA 98503

Ginger Johnson, SUDP, WSCGC-I

(360) 588-2800
didg^wálič Wellness Center
8212 S March Point Road
Anacortes, WA 98221

Robin Johnson, SUDP, WSCGC-I

(360) 716-4302
Tulalip Family Services
2821 Mission Hill Rd
Tulalip, WA 98271

Julia Joyce, CADC-II, ICADC, SUDP, WSCGC-I

(253) 804-8752

Muckleshoot Behavioral Health

17813 SE 392nd

Auburn, WA 98002

Dalis La Grotta, MA, LMHC, WSCGC-I, ICGC-II, BACC

(360) 797-1429

435 W Bell St Suite D

Sequim, WA 98382

Other languages spoken: Spanish

Tae Son Lee, MBA, SUDP, WSCGC-II

(253) 302-3826

Asian Counseling & Treatment Services

8811 S Tacoma Way Suite 106

Lakewood, WA 98499

Other languages spoken: Korean

www.actsseattle.com

Geri Loyal, SUDP

(360) 493-5049

Providence St Peter Chemical Dependency Center

4800 College Street SE

Lacey, WA 98503

Carolyn Mason, MS, SUDP, WSCGC-II, ICGC-II

(360) 922-3030

Lifeline Connections - Bellingham

4120 Meridian Street Suite 220

Bellingham, WA 98226

Carolyn Mason, MS, SUDP, WSCGC-II, ICGC-II

(360) 922-3030

Lifeline Connections – Mount Vernon

2105 Continental Place Suite A

Mount Vernon, WA 98273

Craig McElroy, SUDP, WSCGC-I, CAAR

(509) 838-6092 ext 306

New Horizon Care Centers

701 E 3rd Avenue

Spokane, WA 99202

Kevin McGinley, PhD, LICSW, WSCGC-I

(360) 665-4494

Free by the Sea

25517 Park Avenue

Ocean Park, WA 98640

Devonna Rowlette, SUDP, CADC-II, CGAC-I, WSCGC-II

(360) 642-3787

Willapa Behavioral Health

2204 Pacific Avenue N

Long Beach, WA 98631

www.willapabh.org

Devonna Rowlette, SUDP, CADC-II, CGAC-I, WSCGC-II

(360) 642-3787

Willapa Behavioral Health

300 Ocean Avenue

Raymond, WA 98577

Devonna Rowlette, SUDP, CADC-II, CGAC-I, WSCGC-II

(360) 642-3787

Willapa Behavioral Health

338 Pioneer Drive

Montesano, WA 98563

Margaret Schiltz-Ferris, SUDP, WSCGC-II, ICGC-II

(425) 646-4406

Coastal Treatment Services

12835 Bel-Red Road Suite 145

Bellevue, WA 98005

Sarah Sense-Wilson, MA, LMHC, SUDP, WSCGC-II

(360) 716-4304

Tulalip Family Services

2821 Mission Hill Road

Tulalip, WA 98271

Diane Shepard, MA, LMHC, SUDP, WSCGC-II

(253) 984-9342

Shepard & Associates

10828 Gravelly Lake Drive SW Suite 107

Lakewood, WA 98499

Robert Shope, PsyD, LMHC, WSCGC-II

(360) 352-1052

Balanced Perspectives Inc.

2584 RW Johnson Blvd SW Suite 101

Tumwater, WA 98512

Jill Stenerson, MA, LMHC, WSCGC-I

(360) 394-8643

Suquamish Tribe Wellness Center

PO Box 1228

Suquamish, WA 98392

Cynthia Tumelson, SUDP, WSCGC-II

(206) 302-2300

Sound

4238 Auburn Way N

Auburn, WA 98002

Carmela Washington-Harvey, PhD, LMHC, GAL, WSCGC-II

(425) 282-6662

ECAR Evaluation and Counseling Services, LLC

15 S Grady Way Suite 533

Renton, WA 98057

Donna Whitmire, MA, SUDP, LMHC, WSCGC-II, ICGC-II, BACC

(425) 227-0447 or (206) 779-5805

A Renewal Center LLC

401 Olympia Avenue NE Suite 318

Renton, WA 98056

Donna Whitmire, MA, SUDP, LMHC, WSCGC-II, ICGC-II, BACC

(425) 227-0447 or (206) 779-5805

1621 114th Avenue SE Suite 224

Bellevue, WA 98004

Nationally Certified Gambling Counselors not listed above:

Angela Attri, ICGC-I, LMHC, SUDP

(206) 659-1455

615 W Titus Street

Kent, WA 98032

Jae Youn Bang, ICGC-I

(206) 320-1800

Kaiser Permanente – Northgate Medical Center

9800 4th Avenue NE, 2nd Floor

Seattle, WA 98115

Brad Galvin, MS, SUDP, LMHC, ICGC-II

(206) 339-4546

Brief Therapy Works

600 Stewart Street Suite 400

Seattle, WA 98101

www.brieftherapyworks.com

Harumi Hashimoto, MAC, SUDP, LMHC, ICGC-II, BACC

(206) 695-5968

Asian Counseling & Referral Service

3639 Martin Luther King Jr Way S

Seattle, WA 98144

Other languages spoken: Japanese

Darleen Kildow, LMHC, NCC, CMHS, ICGC-I

(360) 424-4447

Sound Solutions Counseling

PO Box 1531

Stanwood, WA 98292

Dawn Lee, NCGC-I

(360) 588-2800

didg^wálič Wellness Center

8212 S March Point Road

Anacortes, WA 98221

Ellie Lorenz, SUDP, ICGC-II

(509) 674-5059

E L Counseling & Consulting, LLC

9325 Upper Peoh Point Road

Cle Elum, WA 98922

Wanessa Moldestad, ICGC-I

(425) 646-4406

Coastal Treatment Services

12835 Bel-Red Road Suite 145

Bellevue, WA 98005

Ricki Peone, MSW, ICGC-II, BACC

(509) 481-5687

Spokane Tribe of Indians Health and Human Services

4924 Reservation Road

Ford, WA 99013

Cathlene Ramsdell, LMFT, ICGC-I

(360) 808-9620

435 West Bell Street Suite D

Sequim, WA 98382

Provisional Providers

A provisional provider is a treatment provider who does not yet qualify for certification, but has completed the training required for certification and is under the supervision of a Gambling Counselor Clinical Supervisor.

Janna Johnson, SUDP

(425) 698-1615

Associated Behavioral Health

6209 Isaac Ave SE Suite C

Auburn, WA 98092

Keith Seals, BS, SUDP, AAC, CPC

(360) 575-3316

Cowlitz Indian Tribe

900 Fir St.

Longview, WA 98632

Updated 6/7/21

Feedback on “Certified Gambling Counselor” Definition

From: [Griffin, Tina \(GMB\)](#)
To: [Laydon, Ashlie \(GMB\)](#)
Subject: FW: Question for you
Date: Friday, October 1, 2021 8:12:49 AM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image001.png](#)

From: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Sent: Thursday, September 30, 2021 11:20 AM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Subject: RE: Question for you

Hi Tina,

I think this definition looks good but I do think that the Evergreen Council should also look at it briefly (Maureen Greeley and/or Tana Russell).

Sometimes they catch things I don't in defining the work that the CGC's do, as they administer the training & certification program and staff the Certification Committee.

Would you like me to pass it along to them? Or do you want to reach out directly? If you do, please say I looked at it and said it's fine from my point of view.

One question—is the next public meeting on 10/14 going to include a revised version of the self-exclusion rules for the Commissioners to review and for the public to give feedback on? I just want to make sure I'm there if that's being covered.

Finally, thank you so very much for presenting yesterday at the PGTF meeting—sorry your time was a bit truncated, but I certainly appreciated the info.

And thanks for including me in this process, Tina.

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*

Pronouns: She/Her/Hers

roxane.waldron@hca.wa.gov

From: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Sent: Thursday, September 30, 2021 11:13 AM
To: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Subject: Question for you

Hello Roxanne,

We are drafting a definition of Certified Gambling Counselor to include in our self-exclusion rules package. I drafted it based on the information you provided us last month, which was very helpful.

Can you please take a look at the below draft definition and provide feedback by the end of the week? The quick turnaround is because we need to get the packet out soon for the upcoming meeting.

“Certified Gambling Counselor” means problem gambling and gambling disorder treatment providers who:

- (a) Are credentialed by the Department of Health as outlined in WAC 246-341-0754; or
- (b) Provide counseling under a Tribal Attestation in lieu of state requirements for behavior health credentials.

Thank you,

Tina Griffin
Interim Director
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504
360-507-3456
tina.griffin@wsgc.wa.gov



Laydon, Ashlie (GMB)

From: Griffin, Tina (GMB)
Sent: Friday, October 1, 2021 3:40 PM
To: Laydon, Ashlie (GMB)
Subject: FW: Question for you
Attachments: image001.emz; image003.emz

From: Tana Russell <trussell@evergreencpg.org>
Sent: Friday, October 1, 2021 3:26 PM
To: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>; Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Cc: Maureen Greeley <Mlgreeley@evergreencpg.org>
Subject: RE: Question for you

External Email

Thank you, Roxane, you're better versed in legal jargon than I am, and what she said is correct. But I can clarify any questions about the individual certification process. I am not as knowledgeable about the agency licensure process.

Gambling Counselor eligibility:

Meets education requirements &
Has DOH license as LMHC, SUDP, LCSW, MFT, etc.



Applies for and meets **Gambling Counselor Certification requirements** through either:
WSGCCC or IGCCB
(is about a 2-yr process)

Tana Russell, SUDP, NCTTP, WSCGC-II

Assistant Director
1821 Fourth Avenue East
Olympia, WA 98506
P: 360.352.6133 x5541
F: 360.352.4133
www.evergreencpg.org

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<https://www.evergreencpg.org/news/celebrating-30-years-of-service/>

From: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>

Sent: Friday, October 1, 2021 3:15 PM

To: Tana Russell <trussell@evergreencpg.org>; Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>

Cc: Maureen Greeley <Mlgreeley@evergreencpg.org>

Subject: RE: Question for you

Hi All,

Tana, that's for jumping in to clarify—I knew ECPG would be able to clarify this language.

Apologies for the length of my replies—Tina, I know we all want to get this right for you the first time.

Tina, just to clarify—DOH does do all the BH agency & individual licensures. In order to become a *Certified Gambling Counselor*, you must already be a licensed mental health counselor or substance use disorder professional--THEN you can enter the certification program with Evergreen Council on PG or you can go through the International Board for certification.

Here's my suggested language:

*'Certified Gambling Counselor' means a licensed mental health provider or licensed substance use disorder professional who is **certified** by the Washington State Gambling Certification Committee or the International Gambling Counselor Certification Board as outlined in WAC 246-341-0754.'*

- In my opinion, you don't need to say anything about RCW 18.19 or the others because all the individual requirements are either in WAC 246-341 or refer back to those RCWs as needed. Also, RCW 18.19 does have some certifications, but not the Certified Gambling Counselor (CGC)—I've been in on-going discussion with DOH about this and we may be able to get this fixed in the future, but for now it's only described in [WAC 246-341-0754](#).
- The gambling counselors aren't credentialed for problem gambling, they're certified. Small but important distinction. The CGC certification is an 'add-on' after licensure.
- Tribal attestation if for agencies, not individuals. In order to offer problem gambling treatment, all non-Tribal WA State behavioral health agencies that want to offer pg treatment have to be certified as problem gambling agencies by DOH. The agency requirements are in [WAC 246-341-0754](#)--the main requirement is that an agency must have a Certified Gambling Counselor in good standing on staff. [Tribal Attestation](#) would allow Tribal BH agencies to not have to fulfill requirements of the WAC in order to offer services.
- Since the description of 'in training' for Certified Gambling Counselor is determined by the Certification Committee and isn't in WAC, I suggest we leave that off.

I hope this helps?

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*
Pronouns: She/Her/Hers
roxane.waldron@hca.wa.gov



www.hca.wa.gov    

From: Tana Russell <trussell@evergreencpg.org>
Sent: Friday, October 1, 2021 1:45 PM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Cc: Maureen Greeley <Mlgreeley@evergreencpg.org>; Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Subject: RE: Question for you

External Email

“Certified Gambling Counselor” means problem gambling and gambling disorder treatment providers who:

- (a) Are credentialed by the Department of Health as outlined in WAC 246-341-0754; or
- (b) Provide counseling under a Tribal Attestation in lieu of state requirements for behavior health credentials.

On (a): DOH does provides *agency* licensure, but does not provide the *individual provider* certification. Providers in WA obtain their Gambling Counselor Certification credential either through the Washington State Gambling Counselor Certification Committee ([WSGCCC](#)) or the International Gambling Counselor Certification Board ([IGCCB](#)). The WAC 246-341-0754 language on this is rather wordy, listing several of the major certification requirements (see attachment, page 1 , (2) a-b, for reference), so for something simplified I might suggest:

“(a) Are credentialed by the Washington State Gambling Counselor Certification Committee or the International Gambling Counselor Certification Board as outlined in WAC 246-341-0754; or”

On (b): Roxane knows more about the Tribal Attestation process than I do, so I’ve CC’ed her. But I believe that DOH handles the Tribal Attestations, and that that is for *agencies* as

well? Roxane, do you know if that process applies to individual providers also, perhaps those in private practice?

Tana Russell, SUDP, NCTTP, WSCGC-II

Assistant Director

1821 Fourth Avenue East

Olympia, WA 98506

P: 360.352.6133 x5541

F: 360.352.4133

www.evergreencpg.org

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<https://www.evergreencpg.org/news/celebrating-30-years-of-service/>

From: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>

Sent: Friday, October 1, 2021 8:31 AM

To: Tana Russell <trussell@evergreencpg.org>

Subject: RE: Question for you

Unfortunately, I mean by end of today. We need to get this to the Code Reviser and then publish on our website for the upcoming meeting. Thank you!

From: Tana Russell <trussell@evergreencpg.org>

Sent: Friday, October 1, 2021 8:29 AM

To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>

Cc: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>; Maureen Greeley <Mlgreeley@evergreencpg.org>

Subject: RE: Question for you

External Email

I'd be happy to. I need to think on it a bit more. By the end of the week to you mean the end of the day today? Or next week?

Tana Russell, SUDP, NCTTP, WSCGC-II

Assistant Director

1821 Fourth Avenue East

Olympia, WA 98506

P: 360.352.6133 x5541

F: 360.352.4133

www.evergreencpg.org

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<https://www.evergreencpg.org/news/celebrating-30-years-of-service/>

From: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Sent: Friday, October 1, 2021 8:12 AM
To: Tana Russell <trussell@evergreencpg.org>
Cc: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>
Subject: FW: Question for you

Hello Tana,

We are drafting a definition of Certified Gambling Counselor to include in our self-exclusion rules package.

Can you please take a look at the below draft definition and provide feedback by the end of the week? The quick turnaround is because we need to get the packet out soon for the upcoming meeting.

“Certified Gambling Counselor” means problem gambling and gambling disorder treatment providers who:
(a) Are credentialed by the Department of Health as outlined in WAC 246-341-0754; or
(b) Provide counseling under a Tribal Attestation in lieu of state requirements for behavior health credentials.

Thank you,

Tina Griffin
Interim Director
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504
360-507-3456
tina.griffin@wsgc.wa.gov



From: [Griffin, Tina \(GMB\)](#)
To: [Becker, Suzanne \(ATG\)](#); [Laydon, Ashlie \(GMB\)](#)
Subject: FW: Question for you
Date: Friday, October 1, 2021 3:48:16 PM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.png](#)
[image011.png](#)
[image012.png](#)

Based on the latest feedback, please include the below in the definition section of WAC 230-23 and then change Certified Gambling Counselor to Problem Gambling Treatment Counselor in WAC 230-23. Thank you!

From: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Sent: Friday, October 1, 2021 3:42 PM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Cc: mlgreeley@evergreencpg.org; Tana Russell <trussell@evergreencpg.org>
Subject: RE: Question for you

If you want to include clinicians who are able to sign as 'notaries' for the forms that are 1) employed by a Tribe that's using Tribal attestation and 2) offers pg services without have a Certified Gambling Counselor, then I think you could go this way:

'Problem gambling treatment counselor' means:

- 1) a 'Certified Gambling Counselor' that is certified by the Washington State Gambling Counselor Certification Committee or the International Gambling Counselor Certification Board as outlined in WAC 246-341-0754; or
- 2) a clinician providing problem gambling treatment that is employed by a Tribal Behavioral Health Agency that has submitted a Tribal Attestation to offer problem gambling treatment in lieu of state requirements for Certified Gambling Counselor.

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*
Pronouns: She/Her/Hers
roxane.waldron@hca.wa.gov

Washington State
Health Care Authority

www.hca.wa.gov



From: Waldron, Roxane (HCA)
Sent: Friday, October 1, 2021 3:32 PM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Cc: mlgreeley@evergreencpg.org; Tana Russell <trussell@evergreencpg.org>
Subject: RE: Question for you

I think you need to leave off Tribal attestation. That is for agencies only—an individual cannot request via the Tribal attestation process.

We don't want to inadvertently say that a 'Certified Gambling Counselor' can be created via the Tribal attestation process—that's not correct.

Tribal attestation only means that a Tribe can do what it wants within the bounds of the Tribal attestation process (which includes offering treatment for problem gambling without a Certified Gambling Counselor).

Here's info on Tribal Attestation: [Tribal Attestation](#)

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*
Pronouns: She/Her/Hers
roxane.waldron@hca.wa.gov



From: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Sent: Friday, October 1, 2021 3:29 PM
To: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Cc: mlgreeley@evergreencpg.org; Tana Russell <trussell@evergreencpg.org>
Subject: RE: Question for you

Thank you all for your assistance on this. You've been very gracious with your time and help.

This is my take-away for the final rule language:

“Certified Gambling Counselor” means problem gambling and gambling disorder treatment providers who:

- (a) Is certified by the Washington State Gambling Counselor Certification Committee or the International Gambling Counselor Certification Board ~~Are credentialed by the Department of Health~~ as outlined in WAC 246-341-0754; or
- (b) Provide counseling under a Tribal Attestation in lieu of state requirements for behavior health credentials.

Please let me know if this is not correct.

From: Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>

Sent: Friday, October 1, 2021 3:24 PM

To: Tana Russell <trussell@evergreencpg.org>; Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>

Cc: Maureen Greeley <Mlgreeley@evergreencpg.org>

Subject: RE: Question for you

I need to fix one thing—here’s the revised version:

*‘Certified Gambling Counselor’ means a licensed mental health provider or licensed substance use disorder professional who is **certified** by the Washington State Gambling **Counselor** Certification Committee or the International Gambling Counselor Certification Board as outlined in WAC 246-341-0754.’*

Forgot the ‘Counselor’ !

Roxane Waldron, MPA

Problem Gambling Program Manager

Division of Behavioral Health and Recovery

Health Care Authority

work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*

Pronouns: She/Her/Hers

roxane.waldron@hca.wa.gov

Washington State
Health Care Authority

www.hca.wa.gov



From: Waldron, Roxane (HCA)

Sent: Friday, October 1, 2021 3:15 PM

To: Tana Russell <trussell@evergreencpg.org>; Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>

Cc: Maureen Greeley <Mlgreeley@evergreencpg.org>

Subject: RE: Question for you

Hi All,

Tana, that's for jumping in to clarify—I knew ECPG would be able to clarify this language. Apologies for the length of my replies—Tina, I know we all want to get this right for you the first time.

Tina, just to clarify—DOH does do all the BH agency & individual licensures. In order to become a *Certified Gambling Counselor*, you must already be a licensed mental health counselor or substance use disorder professional--THEN you can enter the certification program with Evergreen Council on PG or you can go through the International Board for certification.

Here's my suggested language:

*'Certified Gambling Counselor' means a licensed mental health provider or licensed substance use disorder professional who is **certified** by the Washington State Gambling Certification Committee or the International Gambling Counselor Certification Board as outlined in WAC 246-341-0754.'*

- In my opinion, you don't need to say anything about RCW 18.19 or the others because all the individual requirements are either in WAC 246-341 or refer back to those RCWs as needed. Also, RCW 18.19 does have some certifications, but not the Certified Gambling Counselor (CGC)—I've been in on-going discussion with DOH about this and we may be able to get this fixed in the future, but for now it's only described in [WAC 246-341-0754](#).
- The gambling counselors aren't credentialed for problem gambling, they're certified. Small but important distinction. The CGC certification is an 'add-on' after licensure.
- Tribal attestation if for agencies, not individuals. In order to offer problem gambling treatment, all non-Tribal WA State behavioral health agencies that want to offer pg treatment have to be certified as problem gambling agencies by DOH. The agency requirements are in [WAC 246-341-0754](#)--the main requirement is that an agency must have a Certified Gambling Counselor in good standing on staff. [Tribal Attestation](#) would allow Tribal BH agencies to not have to fulfill requirements of the WAC in order to offer services.
- Since the description of 'in training' for Certified Gambling Counselor is determined by the Certification Committee and isn't in WAC, I suggest we leave that off.

I hope this helps?

Roxane Waldron, MPA

Problem Gambling Program Manager
Division of Behavioral Health and Recovery
Health Care Authority
work cell: (360) 867-8486 – *please leave messages here (I am working remotely)*
Pronouns: She/Her/Hers

roxane.waldron@hca.wa.gov

Washington State
Health Care Authority

www.hca.wa.gov



From: Tana Russell <trussell@evergreencpg.org>
Sent: Friday, October 1, 2021 1:45 PM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Cc: Maureen Greeley <Mlgreeley@evergreencpg.org>; Waldron, Roxane (HCA) <roxane.waldron@hca.wa.gov>
Subject: RE: Question for you

External Email

“Certified Gambling Counselor” means problem gambling and gambling disorder treatment providers who:

- (a) Are credentialed by the Department of Health as outlined in WAC 246-341-0754; or
- (b) Provide counseling under a Tribal Attestation in lieu of state requirements for behavior health credentials.

On (a): DOH does provides *agency* licensure, but does not provide the *individual provider* certification. Providers in WA obtain their Gambling Counselor Certification credential either through the Washington State Gambling Counselor Certification Committee ([WSGCCC](#)) or the International Gambling Counselor Certification Board ([IGCCB](#)). The WAC 246-341-0754 language on this is rather wordy, listing several of the major certification

requirements (see attachment, page 1 , (2) a-b, for reference), so for something simplified I might suggest:

“(a) Are credentialed by the Washington State Gambling Counselor Certification Committee or the International Gambling Counselor Certification Board as outlined in WAC 246-341-0754; or”

On (b): Roxane knows more about the Tribal Attestation process than I do, so I’ve CC’ed her. But I believe that DOH handles the Tribal Attestations, and that that is for *agencies* as well? Roxane, do you know if that process applies to individual providers also, perhaps those in private practice?

Tana Russell, SUDP, NCTTP, WSCGC-II

Assistant Director

1821 Fourth Avenue East

Olympia, WA 98506

P: 360.352.6133 x5541

F: 360.352.4133

www.evergreencpg.org

When gambling becomes a problem, there’s hope. Stop. Breathe. Connect.

Help starts here – 24/7 confidential helpline: 1.800.547.6133



<https://www.evergreencpg.org/news/celebrating-30-years-of-service/>

From: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>

Sent: Friday, October 1, 2021 8:31 AM

To: Tana Russell <trussell@evergreencpg.org>

Subject: RE: Question for you

Unfortunately, I mean by end of today. We need to get this to the Code Reviser and then publish on our website for the upcoming meeting. Thank you!

From: Tana Russell <trussell@evergreencpg.org>

Sent: Friday, October 1, 2021 8:29 AM
To: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Cc: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>; Maureen Greeley <MIgreeley@evergreencpg.org>
Subject: RE: Question for you

External Email

I'd be happy to. I need to think on it a bit more. By the end of the week to you mean the end of the day today? Or next week?

Tana Russell, SUDP, NCTTP, WSCGC-II

Assistant Director

1821 Fourth Avenue East

Olympia, WA 98506

P: 360.352.6133 x5541

F: 360.352.4133

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<https://www.evergreencpg.org/news/celebrating-30-years-of-service/>

From: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>
Sent: Friday, October 1, 2021 8:12 AM
To: Tana Russell <trussell@evergreencpg.org>
Cc: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>
Subject: FW: Question for you

Hello Tana,

We are drafting a definition of Certified Gambling Counselor to include in our self-exclusion rules package.

Can you please take a look at the below draft definition and provide feedback by the end of the week? The quick turnaround is because we need to get the packet out soon for the upcoming meeting.

“Certified Gambling Counselor” means problem gambling and gambling disorder treatment providers who:

- (a) Are credentialed by the Department of Health as outlined in WAC 246-341-0754; or
- (b) Provide counseling under a Tribal Attestation in lieu of state requirements for behavior health credentials.

Thank you,

Tina Griffin
Interim Director
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504
360-507-3456
tina.griffin@wsgc.wa.gov





Sports Wagering Rule-Making
Chapter 230-19 WAC- Sports Wagering Rules.

November 2021 – Discussion
October 2021 – Discussion & Possible Filing
July 2021 – Discussion
June 2021 – Discussion & Possible Filing
July 2020 – Initiated Rule-Making

Tab 7: NOVEMBER 2021 Commission Meeting Agenda. Statutory Authority RCW 9.46.070, RCW 9.46.130, RCW 9.46.210, RCW 9.46.240, and any uncodified provisions in 2020 c 127 (HB 2638)

Who Proposed the Rule Change?

Washington State Gambling Commission Staff

Background

Bold = Changes made after October 2021 Commission Meeting.

On March 25, 2020, Governor Jay Inslee signed House Bill 2638 that authorizes sports wagering for Class III tribal facilities under terms negotiated in tribal-state compacts. It also added or amended several criminal, regulatory, and licensing statutes in the Gambling Act and gives the Gambling Commission authority to adopt or amend any rules needed for the regulation of sports wagering.

At the July 2020 meeting, Commissioners initiated rule-making to adopt new rules and amend current rules to implement the new sports wagering law, including creating a new state regulatory structure to cover all aspects of sports wagering consistent with any new tribal-state wagering compact amendments.

In April and May 2021, the Commission reached a tentative sports wagering compact amendment agreement with fifteen Tribes. Of the fifteen Tribes, there are four different, but similar, sports wagering compact amendments that address the agency's five sports wagering pillars: (1) Licensing and Regulation; (2) Agency Funding; (3) Money Laundering and Criminal Enforcement; (4) Sport and Gambling Integrity; and (5) Responsible and Problem Gambling.

At the June 10, 2021 public meeting, Commissioners chose to file draft language for further discussion. Draft language was filed with the Office of the Code Reviser on June 23, 2021 and was published in the Washington State Register (WSR 21-13-165) on July 7, 2021 for further discussion.

At the July 8, 2021 public meeting, Commission staff was directed to provide Commissioners rule options for consideration at our July 28, 2021 special meeting. Staff provided Commissioners with two options: Option A, which included approving just the rules that pertained to licensing and regulation, and licensing fees for final action at the July 28, 2021 special meeting, or Option B, which included approving all the draft rules, including chapter 230-19 WAC. Based on comments and concerns received, especially concerns centered on proposed rules in chapter 230-19 WAC, Commissioners chose to approve Option A at the July 28, 2021 special meeting and directed staff to continue to work with stakeholders on chapter 230-19 WAC with the intent of bringing draft language back at the October 14, 2021 public meeting.

At the October 2021 public meeting, Commissioners chose to file draft language for further discussion. Language was filed with the Office of the Code Reviser on October 19, 2021 to be published in the Washington State Register (issue 21-21-094) and was posted on our agency website.

Attachments:

- Original Draft Rules (with changes)
- WAC 230-19-005 (NEW)
- WAC 230-19-010 (NEW)
- WAC 230-19-015 (NEW)
- WAC 230-19-020 (NEW)
- WAC 230-19-025 (NEW)
- WAC 230-19-030 (NEW)
- WAC 230-19-035 (NEW)
- WAC 230-19-040 (NEW)
- WAC 230-19-045 (NEW)
- **Stakeholder Feedback**

Stakeholder Outreach and Feedback

Proposed sports wagering rules were distributed to stakeholders and Tribal leaders and representatives on May 27, 2021. A deadline of June 7, 2021 was given for comments and suggested edits to be reviewed by staff for our June 10, 2021 public meeting. Comments received before the June 10, 2021 meeting were reviewed by staff before filing the proposed rules. Changes related to some comments to licensing provisions, contract reviews, accounting records, substantial interest holders, sports wagering integrity, integrity monitoring provider, sports wagering systems, and sports wagering accounts were incorporated in the rules filed with the Code Reviser.

However, some comments and proposed changes were significant policy changes that could not be incorporated without Commissioner approval.

As of July 27, 2021, feedback from the following stakeholders was received:

- American Wagering, Inc., dba William Hill
- DraftKings Inc. (add'l 7/27/21 letter)
- BetMGM
- Cowlitz Tribal Gaming Authority
- FanDuel
- Rush Street Interactive
- Sightline Payments
- Spokane Tribal Business Council
- Sportradar
- Suquamish Tribe
- Tulalip Tribes
- Washington Indian Gaming Association

Revised draft language was sent out to stakeholders on September 3, 2021 for review with feedback requested by September 15, 2021. Stakeholder feedback received thus far is as follows:

- Staff met with GeoComply, at their request, on September 9, 2021 who expressed concerns that a number of the sections had been struck, the GLI requirements had been removed, and were seeking clarification on operational requirements.
- A meeting was held with Tribal leaders and representatives on September 15, 2021 to discuss the proposed rules. The general feedback received was that the proposed rules were too broad and that the tribal-state sports wagering compact amendments are the governing authority over sports wagering, and therefore rules are not necessary. Suggested that if language is necessary, then one rule would be sufficient to specify that sports wagering vendors may facilitate sports wagering only as authorized by and compliant with tribal gaming compact and/or internal controls.
- Written feedback was received from FanDuel who expressed concerns over the timeliness of unusual and suspicious reporting requirements.
- A stakeholder meeting was held on September 22, 2021 to discuss the draft rules with those stakeholders who have a vested interest in sports wagering, primarily sports wagering vendors. Feedback received at this meeting was related to the removal of GLI requirements, and clarification of the timeline for these rules.

Staff inserted language, mirroring compact, regarding the need for sports wagering systems to meet or exceed GLI-33 standards back into chapter 230-19 WAC to provide additional clarity to vendors based on feedback that was received from stakeholders. Timelines for reporting unusual and suspicious wagering activity are required by compact as well.

Staff considered the rule language suggested during the meeting with tribal leaders and representatives to amend the draft rule language to only refer to the compacts and/or the internal controls, however staff chose not to implement this language for a number of reasons. These rules are designed to work in combination with each Tribal Gaming Agency’s regulatory authority to determine suitability for continued licensing of sports wagering vendors and bridge the gaps not covered in tribal-state sports wagering compacts, such as areas where compacts don’t outline specific sports wagering vendor requirements, areas where more detail is necessary for enforcement, and also to address non-tribal vendor related activities where information sharing may be necessary. Further, internal controls are not publicly accessible standards, which are necessary for rules under the Administrative Procedure Act.

Feedback was received on October 28, 2021 from W. Ron Allen, Tribal Chair/CEO of Jamestown S’Klallam Tribe on behalf of Washington Indian Gaming Association (attached).

Staff Recommendation

Discussion only.

**Original Draft Language
(with track changes)**

Chapter 230-19 WAC
SPORTS WAGERING

NEW SECTION

WAC 230-19-005 Sports wagering definitions. Definitions for sports wagering used in the chapter are:

~~(1) "Affiliate" means an individual or organization that promotes sports wagering websites in exchange for a commission or fee.~~

~~(2) "Authorized sports wagering menu" means the official list of sports, leagues, and types of wagers authorized through the tribal-state sports wagering compact process to be offered for sports wagering in the state.~~

~~(3) "Esports" means a video game competition in which players and teams compete against each other.~~

~~(4) "Geofence" means a virtual geographic boundary that enables software or other technology to determine geolocation and detect when a mobile device enters or leaves an approved designated area that allows a patron to place a wager for mobile sports wagering.~~

(15) "Integrity monitoring provider" means an independent organization licensed to receive and analyze data and reports of

unusual wagering activity from a sports wagering operation for the purpose of assisting in identifying suspicious wagering activity.

~~(6) "Minor league" means a lower professional league or division within a sport, such as baseball or hockey, where a professional team has the exclusive contractual rights to promote and relegate players.~~

(27) "Mobile device" means a portable electronic equipment used in mobile sports wagering, for example a smartphone.

(38) "Mobile sports wagering" means any sports wagering on a platform that is deployed and accessed through the internet or an application installed on a mobile device.

~~(9) "Prohibited sports wagering participant" means any person who is prohibited pursuant to RCW 9.46.037 and any person whose participation may undermine the integrity of the wagering or the sporting event, or any person who is prohibited for other good cause including, but not limited to, any person placing a wager as an agent or proxy; and person who is an athlete, coach, referee, player, in, or on, any sporting event overseen by that person's sports governing body; any person who holds a position of authority or influence sufficient to exert influence over the participants in a sporting event that is the subject of a wager, or as identified to us or by a tribal gaming agency.~~

~~(10) "Sports wagering account" means an electronic account established by a patron for the purpose of sports wagering, including deposits, withdrawals, wagered amounts, payouts on winning wagers, or similar adjustments.~~

(~~411~~) "Sports wagering kiosk" means a self-service automated device used by patrons to make wagers on sporting events, obtain wagering information, redeem sports wagering vouchers and wagering tickets, and any other automated functions used for sports wagering.

(~~512~~) "Sports wagering system" means all equipment, hardware, data networks, communications technology, and software used in a sports wagering operation and that directly affect the wagering and results of sports wagering including, but not limited to:

(a) Interactive components, including all associated equipment and software that comprise the sports wagering platform used by a sports wagering operation or for online or mobile sports wagering;

(b) Sports wagering kiosks; and

(c) Ticket or voucher redemption devices.

This does not include a mobile device owned and used by a patron to place a sports wager.

(~~613~~) "Sports wagering vendor" means all three sports wagering license types: Major, mid-level, and ancillary identified in this chapter unless identified otherwise in these rules.

(7) "Sports wagering vendor representative" means all three sports wagering vendor representative types: Major, mid-level, and ancillary identified in this chapter unless identified otherwise in these rules.

(~~814~~) "Suspicious wagering activity" means unusual wagering activity that cannot be explained and is indicative of illegal activity including, but not limited to: Money laundering, match fixing, manipulation of an event, misuse of inside information, or other activity that is prohibited by federal, state, tribal, or local law.

(~~915~~) "Unusual wagering activity" means abnormal wagering activity or pattern of behavior exhibited by one or more patrons as a potential indicator of suspicious activity. Abnormal wagering activity may include, but is not limited to, the size of a person's wager or increased wagering volume on a particular event or wager type and/or other deviations readily apparent based on prior wagering history.

[]

NEW SECTION

WAC 230-19-010 Sports wagering vendors must ensure sports wagering vendor representatives are licensed. (1) Sports wagering vendors must ensure all sports wagering vendor representatives are licensed as required by rule.

(2) Sports wagering vendors must take all measures necessary to prevent an unlicensed sports wagering vendor representative from working in our state.

[]

NEW SECTION

WAC 230-19-015 Accounting records for sports wagering vendors.

Sports wagering vendors must keep and maintain a complete set of records consistent with those kept by manufacturers and distributors as required by WAC 230-16-185 for their licensed activity in this state. ~~and include, at a minimum:~~

~~(1) Double entry method accounting updated at least once a month, including a monthly balance for each account; and~~

~~(2) Maintain their records in accordance with generally accepted accounting principles and ensure that records can be reconciled to the licensee's federal income tax return; and~~

~~(3) Maintain and keep for at least three years following the end of the fiscal year:~~

~~(a) **Cash disbursements book (check register)** — Documenting all expenses, both sports wagering and nonsports wagering related, with invoices or other appropriate supporting documents. Information must be entered monthly and include, at least:~~

~~(i) The date the check was issued or payment made; and~~

~~(ii) The number of the check; and~~

~~(iii) The name of the payee; and~~

~~(iv) Type of expense; and~~

~~(b) **Cash receipts** — Recording cash sales and cash received from all sources. Information must be entered for each payment received monthly and include, at least the:~~

~~(i) Date; and~~

~~(ii) Name of the person paying; and~~

~~(iii) Amount; and~~

~~(c) **General ledger** — For sales that are greater than five hundred thousand dollars per year, a general ledger must be kept containing,~~

~~in addition to all other accounts by month, a separate sales account for each type of sale; and~~

~~(d) **Bank reconciliation** - Reconciling their accounts each month.~~

~~"Reconcile" means the sports wagering vendor must compare the two balances, resolve any differences, and document the comparison and the differences in writing; and~~

~~(e) **Copies of all financial data** - Supporting tax reports to governmental agencies; and~~

~~(f) Maintain copies of all contracts related to sports wagering they enter into which fully disclose all terms.~~

~~{}~~

NEW SECTION

WAC 230-19-020 Sales ~~invoicess~~ records for sports wagering

vendors. Sports wagering vendors must keep the following:

(1) Sales invoices and credit memos - ~~Sports wagering vendors~~

~~must~~ Document each sale of equipment or services, any return or refund, or any other type of transfer of sports wagering equipment in the state, with a standard sales invoice and credit memo. These

records must include:

~~(1) Be prenumbered sequentially at the time of purchase, using not less than four digits. Computer generated numbering systems may be used if:~~

~~(a) The system numbers the invoices and credit memos sequentially; and~~

~~(b) The same system is used for all sales; and~~

~~(c) A manual override function must not be used; and~~

~~(2) Record:~~

(a) The date of sale. The date of delivery must also be entered if different from the date of sale; and

(b) The customer's name and complete business address; and

(c) A ~~full~~ description of each item sold, or service provided;

and

(d) The quantity and price of each item; and

(e) The gross amount of each sale, including all discount terms and the total dollar amount of any discount.

(2) **Sales journal** - Keep a monthly sales journal for transactions in the state containing, at least:

(a) Each date of sale; and

(b) Each sale invoice number; and

(c) The name of the person paying; and

(d) Sale categorized by the sports wagering goods, equipment, or services sold; and

(e) The total amount of each invoice.

[]

NEW SECTION

~~WAC 230-19-025 Sales journals for sports wagering vendors.~~

~~Sports wagering vendors must keep a monthly sales journal for transactions in the state containing, at least:~~

~~(1) Each date of sale; and~~

~~(2) Each sale invoice number; and~~

~~(3) The name of the person paying; and~~

~~(4) Sale categorized by the sports wagering goods, equipment, or services sold; and~~

~~(5) The total amount of each invoice.~~

[+]

NEW SECTION

~~WAC 230-19-030 Authorized sports wagering menu. (1) Sports~~

~~wagering vendor may only offer, facilitate, or promote wagering that is on the authorized sports wagering menu.~~

~~(2) The authorized sports wagering menu will be updated by us as leagues, organizations, or types of wagers are approved or removed.~~

~~(3) The authorized sports wagering menu will be published on the agency's website.~~

[]

NEW SECTION

WAC 230-19-0235 Sports wagering integrity. All sports wagering

vendors and sports wagering vendor representatives, except for integrity monitoring providers, must:

(1) ~~Sports wagering vendor and vendor representatives must~~
Monitor for unusual and suspicious wagering activity; and

(2) Promptly notify us, in the format we require:

(a) ~~Upon~~ Upon any discovery of a violation or a suspected violation of chapter 9.46 RCW, this chapter, or other federal, state, tribal, or local statute, ordinance, administrative rule, or court order; and

(b) When unusual wagering activity or suspicious wagering activity is identified, including changes with the status of, or information related to, a previously reported unusual or suspicious wagering activity.

In the event the unusual or suspicious activity involves a tribal operator in Washington state, the sports wagering vendor or sports wagering vendor representative must promptly notify the appropriate tribal gaming agency; and

~~(2) Sports wagering vendor and vendor representatives must monitor for unusual and suspicious wagering activity.~~

~~(3) Sports wagering vendor and vendor representatives must make reasonable efforts to detect and prevent prohibited sports wagering participants from participating in sports wagering.~~

~~(4) Sports wagering vendor and vendor representatives must promptly notify us, in the format we require, when unusual wagering activity or suspicious wagering activity is identified, including changes with the status of, or information related to, a previously reported unusual or suspicious wagering activity.~~

(35) Sports wagering vendor and vendor representatives will provide sports wagering information to us, or to an integrity monitoring provider(s), designated by us, when requested. Information

related to sports wagering activity at a specific tribal operator in Washington state will first be requested, by us, through that tribal gaming authority pursuant to tribal-state sports wagering compact amendment.

~~(6) Sports wagering vendor and vendor representatives will provide us access to their sports wagering system, including hardware and software, if needed, to access specific information or data to assist us with integrity monitoring and investigations.~~

[]

NEW SECTION

WAC 230-19-0~~3040~~ Integrity monitoring provider requirements.

Integrity monitoring providers must:

(1) Immediately notify us, in the format we require:

(a) Upon any discovery of a violation or a suspected violation of chapter 9.46 RCW, this chapter, or other federal, state, tribal, or local statute, ordinance, administrative rule, or court order; and

(b) When unusual wagering activity or suspicious wagering activity is identified, including changes with the status of, or

information related to, a previously reported unusual or suspicious wagering activity.

In the event the unusual or suspicious activity involves a tribal operator in Washington state, the integrity monitoring provider must immediately notify the appropriate tribal gaming agency; and

~~(2) Integrity monitoring providers must h~~ave systems to receive and analyze sports wagering data and information to be able to monitor, identify, and report on unusual or suspicious wagering activity; and-

~~(32) Integrity monitoring providers will p~~rovide us access to required sports wagering information to assist us with integrity monitoring and investigations; and-

~~(3) Integrity monitoring providers must immediately notify us when they identify unusual wagering activity or suspicious wagering activity.~~

(4) ~~Integrity monitoring providers must I~~immediately notify us, and all other integrity monitoring providers, sports wagering operators, and all other agencies or organizations as directed by us, on any previously reported unusual wagering activity it finds rises to the level of suspicious wagering activity.

[]

NEW SECTION

WAC 230-19-0~~3455~~ Sports wagering system requirements. (1)

Sports wagering vendors must be licensed before the sale or delivery of a sports wagering system(s) to be used in our state.

~~(2) All sports wagering systems, including sports wagering kiosks, must be tested and certified by a licensed independent testing laboratory.~~

~~(3) All sports wagering systems must meet or exceed Gaming Laboratory International GLI-33: Standards for Event Wagering Systems, including appendices and amendments; the standards established under tribal-state sports wagering compact amendment appendices, and any applicable provisions of tribal-state compacts and appendices for which the sports wagering system will operate or additional standards agreed to by us and a tribal gaming agency.~~

(24) All sports wagering systems must meet or exceed Gaming Laboratory International GLI-33: Standards for Event Wagering Systems, including appendices and amendments, and ~~All sports wagering systems~~ must be approved by the tribal gaming agency where the system is to be installed and operated.

~~(5) No substantive modifications to a sports wagering system may be made after an independent test laboratory has certified a sports wagering system without the modification being certified by the independent test laboratory.~~

~~(6) A sports wagering system shall have controls in place to review the accuracy and timeliness of any data feeds used to offer or settle wagers.~~

~~(7) The primary server for a sports wagering system must be in our state and located within a tribal gaming facility.~~

~~(8) Cloud storage for sports wagering data and information may be used for duplicate or backup data. Cloud storage facilities, as specified in the applicable tribal-state sports wagering compact amendment, must be located in our state.~~

~~(9) Sports wagering systems, at a minimum, must be capable of generating reports necessary to record the adjusted gross receipts, wagering liability, ticket redemption, and such other information relating to sports wagering as required by us, a tribal gaming agency, or internal controls. These reports include, but are not limited to:~~

~~(a) Gaming operation revenue;~~

~~(b) Gaming operation liability;~~

~~(c) Future event;~~

- ~~(d) Significant events and alterations;~~
- ~~(e) Wager record information;~~
- ~~(f) Market information;~~
- ~~(g) Contest or tournament information;~~
- ~~(h) Sports wagering account information;~~
- ~~(i) Sports wagering system information;~~
- ~~(j) Significant event information;~~
- ~~(k) User access information;~~
- ~~(l) Wagering device information;~~
- ~~(m) Promotion or bonus information;~~
- ~~(n) Event game play;~~
- ~~(o) Expired ticket; and~~
- ~~(p) Any other reports required by us or a tribal gaming agency.~~

~~(10) Sports wagering systems, including sports wagering kiosks~~

~~and mobile sports wagering will, at a minimum, allow for a display of
commitment to responsible gaming and link to, or provide notice of,
the tribal sports wagering operator's responsible gaming policies.~~

~~Responsible gaming solutions include:~~

- ~~(a) Patron controlled wager and deposit limits; and~~
- ~~(b) Problem gambling resources for patrons.~~

~~(11) Sports wagering vendors bringing sports wagering systems, equipment, components, and kiosks, into our state must provide us access to the sports wagering system(s), including hardware, software, or other related sports wagering equipment, as needed, for us to develop our regulatory program and trainings.~~

[]

NEW SECTION

WAC 230-19-0~~4050~~ Geofence and geolocation requirements. (1)

Mobile sports wagering must be contained to an approved tribal gaming facility premises as approved pursuant to each tribal-state sports wagering compact amendment. Sports wagering vendors will have geofence and geolocation compliance and monitoring controls to ensure wagers cannot be placed in violation of federal, state, or tribal laws and rules.

(2) Geofence and geolocation systems must be maintained and capable of:

~~(a) will be updated, as needed or required by tribal-state compact, to ensure that the system detectings and mitigatinges~~

existing and emerging threats to the security of the geolocation system; and fraud risks.

(b) Verifying the patron or device location.

[]

NEW SECTION

~~WAC 230-19-055 Sports wagering account requirements. (1) Sports wagering vendor and vendor representatives that manage or have access to a sports wagering account must maintain and produce all sports wagering account information when requested by us or a tribal gaming agency.~~

~~(2) A sports wagering account connected to a sports wagering system, or mobile sports wagering, must ensure that a sports wagering patron cannot have more than one active sports wagering account and username for each sports wagering operation authorized through tribal-state compact.~~

~~(3) A sports wagering account must be registered and verified in-person at a tribal gaming facility before the acceptance of any wager using that sports wagering account.~~

~~(4) A patron's identification for a sports wagering account must be reverified upon reasonable suspicion that the patron's identification has been compromised.~~

~~(5) Sports wagering vendors who maintain sports wagering account funds shall hold these funds at a federally regulated financial institution who does business in our state.~~

~~(6) Patron funds held in a sports wagering account shall not be allowed to be transferred from an individual's patron account to another different individual's patron account.~~

~~(7) Sports wagering vendor and vendor representatives will not require or advise a patron to transfer or maintain sports wagering account funds in order to circumvent or violate any provision or requirement established in any federal, state, tribal, or local statute, ordinance, administrative rule, or court order.~~

~~(8) Sports wagering vendor and vendor representatives that direct, assist, or manage sports wagering accounts shall provide a conspicuous and readily accessible method for a patron to close their sports wagering account and any fund balance remaining in a patron's closed sports wagering account will be dispersed pursuant to the internal controls of the tribal sports wagering operator.~~

~~(9) Patrons are prohibited from allowing any other patron to access or use their sports wagering account.~~

~~++~~

NEW SECTION

WAC 230-19-04650 Records retention for sports wagering vendors.

Where applicable, sports wagering vendors must retain the following records:

(1) For at least five years:

- (a) Suspicious wagering activity; and
- (b) Unusual wagering activity.

(2) For at least three years at the end of their fiscal year:

- (a) All required accounting records;
- (b) Sales invoices;
- (c) Sales journals; and
- (d) Credit memos.

(3) Data related to odds and line setting must be kept ~~F~~for at least two years .~~+~~

~~(a) Data feeds;~~

~~(b) Sports wagering account information;~~

~~(c) Mobile wagering account information; and~~

~~(d) Geofence or geolocation information.~~

[]

Draft Language
(For Discussion and Possible Filing)

Chapter 230-19 WAC
SPORTS WAGERING

NEW SECTION

WAC 230-19-005 Sports wagering definitions. Definitions for sports wagering used in the chapter are:

(1) "Integrity monitoring provider" means an independent organization licensed to receive and analyze data and reports of unusual wagering activity from a sports wagering operation for the purpose of assisting in identifying suspicious wagering activity.

(2) "Mobile device" means a portable electronic equipment used in mobile sports wagering, for example a smartphone.

(3) "Mobile sports wagering" means any sports wagering on a platform that is deployed and accessed through the internet or an application installed on a mobile device.

(4) "Sports wagering kiosk" means a self-service automated device used by patrons to make wagers on sporting events, obtain wagering information, redeem sports wagering vouchers and wagering tickets, and any other automated functions used for sports wagering.

(5) "Sports wagering system" means all equipment, hardware, data networks, communications technology, and software used in a sports wagering operation and that directly affect the wagering and results of sports wagering including, but not limited to:

(a) Interactive components, including all associated equipment and software that comprise the sports wagering platform used by a sports wagering operation or for online or mobile sports wagering;

(b) Sports wagering kiosks; and

(c) Ticket or voucher redemption devices.

This does not include a mobile device owned and used by a patron to place a sports wager.

(6) "Sports wagering vendor" means all three sports wagering license types: Major, mid-level, and ancillary identified in this chapter unless identified otherwise in these rules.

(7) "Sports wagering vendor representative" means all three sports wagering vendor representative types: Major, mid-level, and ancillary identified in this chapter unless identified otherwise in these rules.

(8) "Suspicious wagering activity" means unusual wagering activity that cannot be explained and is indicative of illegal activity including, but not limited to: Money laundering, match fixing, manipulation of an event, misuse of inside information, or other activity that is prohibited by federal, state, tribal, or local law.

(9) "Unusual wagering activity" means abnormal wagering activity or pattern of behavior exhibited by one or more patrons as a potential indicator of suspicious activity. Abnormal wagering activity may include, but is not limited to, the size of a person's wager or increased wagering volume on a particular event or wager type and/or other deviations readily apparent based on prior wagering history.

NEW SECTION

WAC 230-19-010 Sports wagering vendors must ensure sports wagering vendor representatives are licensed. (1) Sports wagering vendors must ensure all sports wagering vendor representatives are licensed as required by rule.

(2) Sports wagering vendors must take all measures necessary to prevent an unlicensed sports wagering vendor representative from working in our state.

NEW SECTION

WAC 230-19-015 Accounting records for sports wagering vendors. Sports wagering vendors must keep and maintain a complete set of records consistent with those kept by manufacturers and distributors as required by WAC 230-16-185 for their licensed activity in this state.

NEW SECTION

WAC 230-19-020 Sales records for sports wagering vendors. Sports wagering vendors must keep the following:

(1) **Sales invoices and credit memos** - Document each sale of equipment or services, any return or refund, or any other type of transfer of sports wagering equipment in the state, with a standard sales invoice and credit memo. These records must include:

(a) The date of sale. The date of delivery must also be entered if different from the date of sale; and

(b) The customer's name and complete business address; and

(c) A description of each item sold, or service provided; and

(d) The quantity and price of each item; and

(e) The gross amount of each sale, including all discount terms and the total dollar amount of any discount.

(2) **Sales journal** - Keep a monthly sales journal for transactions in the state containing, at least:

(a) Each date of sale; and

(b) Each sale invoice number; and

(c) The name of the person paying; and

(d) Sale categorized by the sports wagering goods, equipment, or services sold; and

(e) The total amount of each invoice.

NEW SECTION

WAC 230-19-025 Sports wagering integrity. All sports wagering vendors and sports wagering vendor representatives, except for integrity monitoring providers, must:

(1) Monitor for unusual and suspicious wagering activity; and

(2) Promptly notify us, in the format we require:

(a) Upon any discovery of a violation or a suspected violation of chapter 9.46 RCW, this chapter, or other federal, state, tribal, or local statute, ordinance, administrative rule, or court order; and

(b) When unusual wagering activity or suspicious wagering activity is identified, including changes with the status of, or information related to, a previously reported unusual or suspicious wagering activity.

In the event the unusual or suspicious activity involves a tribal operator in Washington state, the sports wagering vendor or sports wagering vendor representative must promptly notify the appropriate tribal gaming agency; and

(3) Provide sports wagering information to us, or to an integrity monitoring provider(s), designated by us, when requested. Information related to sports wagering activity at a specific tribal operator in Washington state will first be requested, by us, through that tribal gaming authority pursuant to a tribal-state sports wagering compact amendment.

NEW SECTION

WAC 230-19-030 Integrity monitoring provider requirements. Integrity monitoring providers must:

(1) Immediately notify us, in the format we require:

(a) Upon any discovery of a violation or a suspected violation of chapter 9.46 RCW, this chapter, or other federal, state, tribal, or local statute, ordinance, administrative rule, or court order; and

(b) When unusual wagering activity or suspicious wagering activity is identified, including changes with the status of, or information related to, a previously reported unusual or suspicious wagering activity.

In the event the unusual or suspicious activity involves a tribal operator in Washington state, the integrity monitoring provider must immediately notify the appropriate tribal gaming agency; and

(2) Have systems to receive and analyze sports wagering data and information to be able to monitor, identify, and report on unusual or suspicious wagering activity; and

(3) Provide us access to required sports wagering information to assist us with integrity monitoring and investigations; and

(4) Immediately notify us, and all other integrity monitoring providers, sports wagering operators, and all other agencies or organizations as directed by us, on any previously reported unusual wagering activity it finds rises to the level of suspicious wagering activity.

NEW SECTION

WAC 230-19-035 Sports wagering system requirements. (1) Sports wagering vendors must be licensed before the sale or delivery of a sports wagering system(s) to be used in our state.

(2) All sports wagering systems must meet or exceed Gaming Laboratory International GLI-33: Standards for Event Wagering Systems, including appendices and amendments, and must be approved by the tribal gaming agency where the system is to be installed and operated.

NEW SECTION

WAC 230-19-040 Geofence and geolocation requirements. (1) Mobile sports wagering must be contained to an approved tribal gaming facility premises as approved pursuant to each tribal-state sports wagering compact amendment. Sports wagering vendors will have geofence and geolocation compliance and monitoring controls to ensure wagers cannot be placed in violation of federal, state, or tribal laws and rules.

(2) Geofence and geolocation systems must be maintained and capable of:

(a) Detecting and mitigating existing and emerging threats to the security of the geolocation system; and

(b) Verifying the patron or device location.

NEW SECTION

WAC 230-19-045 Records retention for sports wagering vendors. Where applicable, sports wagering vendors must retain the following records:

(1) For at least five years:

(a) Suspicious wagering activity; and

(b) Unusual wagering activity.

(2) For at least three years at the end of their fiscal year:

(a) All required accounting records;

(b) Sales invoices;

(c) Sales journals; and

(d) Credit memos.

(3) Data related to odds and line setting must be kept for at least two years.

Stakeholder Feedback
(Received since October 19, 2021)



October 27, 2021

Bud Sizemore, Chair
Tina Griffin, Interim Director
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504

Subject: Comments on proposed WAC 230-19

Dear Bud and Tina:

On behalf of the Washington Indian Gaming Association (WIGA), I write today to offer feedback on the revised draft sports wagering rules. We very much appreciate the efforts made by your staff to address our concerns, and we acknowledge the improvements that have been made to the current draft.

However, as previously shared with you at our government-to-government meeting on October 1, 2021, we believe the rules can and should be revised before they are brought to the Commission for final action. Making such changes now will help us both avoid future problems, confusion by our vendors, and possible dispute resolution.

We appreciate the Chair and Vice Chair's comments at the October 14, 2021, Washington State Gambling Commission ("WSGC") meeting, thanking the staff for their efforts and acknowledging the "dual regulatory" approach of the WSGC and Tribal Gaming Agencies. However, the two justifications repeatedly presented for the rules—namely to "fill in the gaps" left by the compact negotiation process and to give WSGC "a hook" with respect to sports wagering vendors—do not justify the inconsistencies and overbreadth of the current rule set. Rather, WSGC is ignoring the carefully considered compromises and months of negotiation that were required of the involved tribes to agree on a final compact draft and revisiting issues where WSGC appears to think the compacts should have gone further.

For example:

- WAC 230-19-005 Sports wagering definitions. The definitions are in conflict with Appendix S. For example, in the draft rules, an Integrity Monitoring Provider ("IMP") will "analyze data and reports" but, Appendix S limits an IMP's role to "analyzing reports of Suspicious Wagering Activity and Unusual Wagering Activity." Similarly, the definitions of "Suspicious and Unusual Wagering Activity" substantively deviate from the defined terms in Appendix S. In Appendix S, suspicious wagering activity does not include "money laundering," and unusual wagering activity is determined, at least in part,

by the sports wagering operation, but that reference is not included in the definition in the rules. WSGC's proposed draft is not "gap-filling" language; this is WSGC attempting to renegotiate a broader result from what was already intensely and specifically negotiated through the compacting process.

- WAC 230-19-025 Sports wagering integrity. This section imposes a duty of integrity monitoring on *all* sports wagering vendors; however, in Appendix S, that duty falls to the Tribes and the IMPs. Again, this is not filling a "gap" in the compacts; rather, the parties specifically negotiated for the use of an IMP to fill this critical role. Additionally, the proposed rule requires notice to WSGC in the event of *unusual or suspicious* wagering activity, but in Appendix S, WSGC receives only immediate notice of *suspicious* wagering activity. Plus, the rule purports to require sports wagering vendors to hand over the Tribes' "sports wagering information" to WSGC "when requested," but this conflicts with the information sharing protocols memorialized in Appendix S, i.e., that WSGC may obtain information from the Tribe when it is related to a law enforcement action or investigation, in a manner consistent with the Tribe's information-sharing policy. Again, this draft rule circumvents the expressly negotiated terms of Appendix S.
- WAC 230-19-030 Integrity monitoring provider requirements. Again, this rule conflicts with Appendix S. For example, the draft rule imposes requirements on IMPs that do not appear in Appendix S, such as requiring an IMP to "have systems to receive and analyze sports wagering data and information to be able to monitor, identify, and report on unusual or suspicious wagering activity."
- WAC 230-19-035 Sports wagering system requirements. This section reiterates some of the requirements from Appendix S, like that the system must meet or exceed GLI-33, but it misses some important nuances, like that the Tribe and WSGC can negotiate *deviations* from GLI-33. This puts vendors in a really difficult position if there is a negotiated deviation because that would put them in violation of the rules, even if in compliance with the compacts.
- WAC 230-19-040 Geofence and geolocation requirements. Again, this draft rule imposes requirements that do not appear in Appendix S. The geofence and geolocation technology is approved through Appendix S, and if there is a dispute about the technology, then it should go through dispute resolution—not a licensing infraction against our vendor.

In a perfect world, WSGC would forego these rules altogether as unnecessary because the compacts already give WSGC broad discretion to revoke, suspend, and deny state certification of vendors for failure to comply with any provision or duty imposed by the compact.¹ In addition to the compacts, WSGC already has authority under WAC 230-03-085 to revoke or suspend a

¹ For example, under Section VII(B) of the Jamestown S'Klallam Tribe's Gaming Compact, the state has authority to revoke, suspend, or deny a state certification "for any reason or reasons [WSGC] deems to be in the public interest" or if a holder of a certification "poses a threat to the effective regulation of gaming" or "has violated, failed, or refused to comply with any provision, requirement, condition, limitation, or duty imposed by one or more provisions of this Compact." Similar language is contained in other tribal-state gaming compacts.

vendor's license if a vendor fails to comply with applicable laws,² poses a threat to the effective regulation of gambling,³ or fails to comply with Chapter 9.46 RCW—which requires that sports wagering is conducted in accordance with a compact.⁴

If WSGC is unsatisfied with the options available under the tribal-state gaming compacts and under WAC 230-03-085, then the appropriate step is to prepare a single rule reiterating that sports wagering vendors must comply with a tribal-state gaming compact and applicable tribal laws. We have previously suggested that very change, and it has been ignored. At a minimum, we would hope that WSGC will revise the rules to eliminate direct conflicts with Appendix S and add a subsection simply stating that if the rules are in conflict with a compact, then the compact will prevail.

Please do not hesitate to reach out to me with any questions or concerns.

Sincerely,



W. Ron Allen
Tribal Chair/CEO, Jamestown S'Klallam Tribe
Chairman, Washington Indian Gaming Association

Cc: Julie Lies, Tribal Liaison, WSGC
Ashlie Laydon, Rules Coordinator, WSGC
Rebecca George, Executive Director, WIGA

² WAC 230-03-085(3) empowers WSGC to take action against a licensee that “has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level.” Licensees would be hard pressed to argue they can flout tribal laws when they cannot even flout local ordinances without significant consequences.

³ WAC 230-03-085(9) empowers WSGC to take licensing action against a licensee that “poses a threat to the effective regulation of gambling or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gambling activities.” This subsection is very broad and would provide a sufficient basis to penalize a sports wagering vendor that is not complying with an applicable compact, tribal gaming ordinance, or tribal law.

⁴ WSGC has recourse under WAC 230-03-085(1) if a licensee does not comply with Chapter 9.46 RCW. Under RCW 9.46.0364, “Sports wagering conducted pursuant to the gaming compact is a gambling activity authorized by this chapter.” Thus, any sports wagering not conducted pursuant to a compact runs afoul of chapter 9.46 RCW, giving WSGC a broad catch-all for vendors who fail to comply with an applicable compact.



STATE OF WASHINGTON
GAMBLING COMMISSION

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

November 9, 2021

The Honorable W. Ron Allen, Chairman
Washington Indian Gaming Association
Tribal Chair/CEO, Jamestown S'Klallam Tribe
525 Pear St SE
Olympia, WA 98501

Dear Chairman Allen:

Thank you for your letter of October 27, 2021, in which you provided comments on the commission's proposed rules for WAC Chapter 230-19.

We appreciate you sharing specific examples of your concerns regarding the proposed rules. Your comments will be shared with the Commissioners at the November 16, 2021, meeting. The proposed rules are up for discussion only at this meeting. Final action on the rules is not expected to take place until December 7, 2021.

Again, thank you for sharing your concerns with us.

Sincerely,

Tina Griffin
Interim Director

Cc: Bud Sizemore, WSGC Chairman
Rebecca George, Executive Director, WIGA
Julie Lies, Tribal Liaison, WSGC
Ashlie Laydon, Rules Coordinator, WSGC

Stakeholder Feedback
(Received since September 3, 2021)

From: [Andrew Winchell](#)
To: [Laydon, Ashlie \(GMB\)](#)
Cc: [Alex Smith](#); [Cory Fox](#)
Subject: RE: Sports Wagering rules for review
Date: Wednesday, September 15, 2021 4:19:54 PM
Attachments: [image006.png](#)
[image009.png](#)
[image011.png](#)
[FanDuel Comments on Updated Washington Sports Betting Regulations 9.15.21.pdf](#)

External Email

Good evening,

Attached please find FanDuel's comments on the updated sports wagering rules. Thank you again for the opportunity to provide input to the Commission on these rules.

Sincerely,

Andrew J. Winchell

Director, Government Affairs

Mobile: 845.325.6235

Email: andrew.winchell@fanduel.com



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

Sent: Friday, September 3, 2021 6:50 PM

Cc: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>; LaMont, Jennifer (GMB) <jennifer.lamont@wsgc.wa.gov>; Teal, Adam (GMB) <adam.teal@wsgc.wa.gov>

Subject: Sports Wagering rules for review

Good afternoon,

At their July 28th special public meeting, Commissioners directed staff to continue to work with stakeholders on sports wagering rules, specifically chapter 230-19 WAC, with the intent of bringing draft language back to them for discussion and possible filing at their October 14th public meeting. Attached you will find a revised draft chapter 230-19 WAC for your review. Please submit written feedback to ashlie.laydon@wsgc.wa.gov by close of business on Wednesday, September 15th. This will allow staff time to review feedback and address stakeholder concerns prior to the October public meeting.

Please contact me if you have any questions. Email is best at this time, as we continue to work remotely.

Thank you,

Ashlie Laydon

Rules Coordinator | Legal and Records Division

Washington State Gambling Commission

P.O. Box 42400 | Olympia, WA 98504-2400

☎ (360) 486-3473 | ✉ ashlie.laydon@wsgc.wa.gov





Cory Fox
cory.fox@fanduel.com

September 15, 2021

Via Email to Ashlie.laydon@wsgc.wa.gov

Ashlie Laydon, Rules Coordinator
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504

Re: FanDuel Comments on “Updated WSGC Sports Wagering DRAFT Rule Changes”

Dear Coordinator Laydon:

I write to provide comments on behalf of FanDuel Group, Inc. (“FanDuel”) regarding the Washington State Gambling Commission’s (“Commission”) “Updated WSGC Sports Wagering DRAFT Rule Changes” (“Updated Rules”). We thank you for the previous opportunity to comment on the proposed rules and for your thoughtful review and response to our comments. Based on our review of the Updated Rules we have one comment to share with the Commission.

All changes will be shown as follows: proposed additional text will be bolded and underlined and all text to be deleted will be bracketed and struck through. For the sake of clarity, where we are suggesting changes to existing regulations that the Commission is also proposing changes, our additions will be shown in black, while Commission proposed changes will be shown in red.

- ***Issue 1 – Inconsistent Requirement to “promptly” or “immediately” notify the Commission of violations and unusual or suspicious activity.***

The Proposed Rules include two new rules (WAC 230-19-030 – Sports Wagering Integrity and WAC 230-19-035 – Integrity Monitoring Provider Requirements) which include inconsistent reporting standards for sports wagering vendors and integrity monitoring providers to report suspected violations or regulations or statutes and unusual or suspicious wagering activity. Sports wagering vendors and integrity monitoring providers need to report this information in a timely manner to the Commission, and we thank the Commission for changing the reporting standard to “promptly” in 230-19-030 for sports wagering vendors. However, 230-19-030 retains an “immediate” reporting requirement for integrity monitoring providers which does not provide them the flexibility to conduct an initial investigation which would provide the Commission with useful information in the report. Additionally, such initial investigation may resolve the underlying concern (especially in relation to unusual wagering activity) and prevent the



overreporting of “false alarms.” This prompt reporting standard is similar to that required in Michigan (R432.743). To address this concern, we suggest the following amendments:

WAC 230-19-035 Integrity Monitoring Provider Requirements.

Integrity Monitoring Providers must:

(1) ~~[Immediately]~~ **Promptly** notify us, in the format we require:

...

In the event the unusual or suspicious activity involves a tribal operator in Washington state, the integrity monitoring provider must ~~[immediately]~~ **promptly** notify the appropriate tribal gaming agency; and

...

(4) ~~[Integrity Monitoring Providers must immediately]~~ **[Immediately]** **promptly** notify us, and all other Integrity Monitoring Providers, sports wagering operators, and all other agencies or organizations as directed by us, on any previously reported unusual wagering activity it finds rises to the level of suspicious wagering activity.”

We appreciate your time and consideration of our comments and would be happy to discuss at your convenience.

Sincerely,

Cory Fox

Government Affairs and Product Counsel Vice President

Stakeholder Feedback
(Received on or before July 27, 2021)



Brian J. Considine
Legal and Legislative Manager
Washington State Gambling Commission

July 7, 2021

Mr. Considine:

Thank you and your team for working with American Wagering, Inc. (doing business as William Hill) and Caesars Entertainment to create regulations that will protect the public and allow the industry to meet its full potential in Washington. Please find below some suggestions for minor, yet important, changes to the existing draft regulations.

William Hill currently operates sports betting in 18 U.S. jurisdictions, the most of any company in the industry. We offer these suggestions based on our experience in these jurisdictions and in the spirit of helping Washington to implement best practices.

Rule Reference

WAC 230-19-045

Existing Rule Language

(5) No substantive modifications to a sports wagering system may be made after an independent test laboratory has certified a sports wagering system without the modification being certified by the independent test laboratory.

Comment

We request a definition of “substantive modifications” be included in the regulations.

Some examples of “substantive modifications” we believe should require recertification include those that have a high impact on regulated components or reporting of the platform, such as:

- 1) Implementation of a new gambling feature or a change to any logic impacting wagering or game logic;
- 2) A change impacting required regulatory reports or data used for financial reconciliation;
- 3) If applicable, a change impacting the handling or storage of personally identifiable information;
- 4) If applicable, a change implemented by the platform provider that substantially impacts geolocation services; or
- 5) A change to accommodate updated regulatory requirements

Reason for Change

Minor or technical changes outside of the ones listed below do not create a risk to the integrity of the system and are routine. Those changes should be permitted without certification by an independent testing lab.

Rule Reference

WAC 230-19-045

Existing Rule Language

(8) Cloud storage for sports wagering data and information may be used for duplicate or backup data. Cloud storage facilities, as specified in the applicable tribal-state sports wagering compact amendment, must be located in our state.

Comment

We suggest deleting the requirement for backup cloud storage to be located in Washington.

Reason for Change

We have not seen a requirement in other jurisdictions for back up cloud storage systems to be confined to the jurisdiction. Allowing cloud storage to be located anywhere in the U.S., but in a facility licensed as a mid-level vendor by the WSGC, would provide sufficient safeguards while lowering expenses for operators.

Rule Reference

WAC 230-19-045

Existing Rule Language

(9) Sports wagering systems, at a minimum, must be capable of generating reports necessary to record the adjusted gross receipts, wagering liability, ticket redemption, and such other information relating to sports wagering as required by us, a tribal gaming agency, or internal controls. These reports include, but are not limited to:

- (a) Gaming operation revenue;*
- (b) Gaming operation liability;*
- (c) Future event;*
- (d) Significant events and alterations;*
- (e) Wager record information;*
- (f) Market information;*
- (g) Contest or tournament information;*
- (h) Sports wagering account information;*
- (i) Sports wagering system information;*
- (j) Significant event information;*
- (k) User access information;*
- (l) Wagering device information;*
- (m) Promotion or bonus information;*
- (n) Event game play;*
- (o) Expired ticket; and*
- (p) Any other reports required by us or a tribal gaming agency.*

Comment

We suggest replacing the above list with the GLI-33 §2.9 list of minimum reports.

Reason for Change

The GLI list is widely used and operators are already familiar with issuing these reports. As it is written above, the WSGC would need to craft detailed criteria for each of the above reports and

operators may have varying interpretations of how to comply. Using the GLI list allows for consistent reporting and less regulatory burden for the WSGC.

Rule Reference

WAC 230-19-060

Existing Rule Language

Records retention for sports wagering vendors.

Where applicable, sports wagering vendors must retain the following records:

- (1) For at least five years:
 - (a) Suspicious wagering activity; and*
 - (b) Unusual wagering activity.**
- (2) For at least three years at the end of their fiscal year:
 - (a) All required accounting records;*
 - (b) Sales invoices;*
 - (c) Sales journals; and*
 - (d) Credit memos.**
- (3) For at least two years:
 - (a) Data feeds;*
 - (b) Sports wagering account information;*
 - (c) Mobile wagering account information; and*
 - (d) Geofence or geolocation information.**

Comment

We suggest this retention requirement be placed on licensed data providers, not the operators who use the data.

Reason for Change

Operators may archive some, but not all, of the data provided. Placing the onus on the data providers would be more appropriate as they create and send the data, and less burdensome to the end users of the data, the operators.

Thank you to you, Ms. Laydon, and the Commission for considering our comments on these draft regulations.

Regards,

s/Trevor Hayes

cc: Ashlie Laydon, rules coordinator Washington State Gambling Commission

From: [Kevin Cochran](#)
To: [Considine, Brian \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#)
Cc: [Griffin Finan](#)
Subject: DraftKings -- WSGC Sports Wagering Rules Comments
Date: Monday, June 7, 2021 5:58:37 AM
Attachments: [DraftKings WSGC Sports Wagering Rules Comments -- 6-7-2021.pdf](#)

External Email

Dear Legal and Legislative Manager Considine and Rules Coordinator Laydon,

Attached you will find DraftKings Inc.'s ("DraftKings") comments to the Washington State Gambling Commission's Sports Wagering Draft Rule Changes. Thank you for your consideration of DraftKings' comments. Please do not hesitate to reach out to us if you have any questions regarding our submitted comments.

Thanks and have a nice week,

Kevin

KEVIN COCHRAN

Senior Manager, Government Affairs and Senior Corporate Counsel
DraftKings Inc.
215-290-4428





July 27, 2021

Via Email to Brian.Considine@wsgc.wa.gov and Ashlie.Laydon@wsgc.wa.gov

Brian Considine, Legal and Legislative Manager
Ashlie Laydon, Rules Coordinator
Washington State Gambling Commission
4565 7th Avenue S.E.
Lacey, WA 98503
(360) 486-3440

RE: Sports Wagering Proposed Draft Rules Filed (6/23/2021)

Dear Legal and Legislative Manager Considine and Rules Coordinator Laydon,

In response to the Proposed WSGC Sports Wagering DRAFT Rule Changes promulgated by the Washington State Gambling Commission (“Commission”) delivered to stakeholders on June 23, 2021 and the follow-up email from the Commission answering and responding to our previous comments on June 30, 2021, DraftKings Inc. (“DraftKings”) submits the following comments. As a leading sports wagering operator in the United States, DraftKings has first-hand experience with the topics addressed in the proposed rules and respectfully submits these comments based on its operational knowledge and its consumers’ experience in multiple regulated markets.

As a note of reference, when the term “Compact” is used below, it refers to the compact amendments that are substantially similar and agreed to by the Commission and the eleven tribes as described in the [press release](#) issued by the Commission on May 13, 2021.

WAC 230-03-311, 312, 313 Applying for a major/mid-level/ancillary sports wagering vendor representative license

DraftKings respectfully requests the Commission amend the persons that must apply for a major sports wagering representative license to be more consistent with the term “Gaming Employee” in Section II of the Compact. As currently drafted, the term “represent” could be interpreted broadly to encompass an almost countless number of individuals across the sports wagering industry, for example lawyers and accountants, and lead to an administrative burden for applicants and the Commission. By removing the term “represent,” the definition would better align with the term “Gaming Employee” as defined in the Compact, and focus on persons employed in the operation or management of gaming in the state. For these reasons we respectfully request the following amendment:



You must apply for a major/mid-level/ancillary sports wagering representative license if you, as an individual, are employed or contracted by a major/mid-level/ancillary sports wagering vendor to ~~represent~~, service, or work in any sports wagering activities in our state or you supervise those who do.

WAC 230-05-170 Fees for other businesses

DraftKings respectfully requests that the Commission consider lowering the base license fee for mid-level and ancillary sports wagering vendors. While we appreciate the Commission's response detailing how all regulatory funding must come from licensing fees and tribal cost reimbursements, these fees as currently outlined are very high for retail sports wagering. In working through the regulatory process in other states, charging mid-level and some ancillary vendors a fee annually, particularly fees of \$10,000 and \$5,000, could be limiting on those wishing to enter the market. As currently drafted, these fees are higher for vendors in similar on-premises wagering jurisdictions but also higher than many states where mobile sports wagering is offered statewide.

WAC 230-19-045 Sports wagering system requirements

DraftKings respectfully requests modifications to the types of reports that must be generated by a sports wagering system to match what is found in Section 5.3.9 of the Compact. By inserting the term "may include," it creates flexibility between the major sports wagering vendor and the tribal gaming authority to determine the best way to report "the adjusted gross receipts, wagering liability, ticket redemption, and such other information relating to sports wagering as required." This flexibility is important because some of the reports listed in the second sentence of this requirement are not industry standard and not something regularly produced by sports wagering operators. Tribal gaming authorities and major sports wagering vendors can create reports to meet the goals of the first sentence without having to configure their systems or make changes to their systems to produce all of the reports listed. Even without a requirement that a system be able to produce all of the listed reports, the Commission will have an opportunity to make sure the reporting framework adequately outlines how a sports wagering operation plans to record "adjusted gross receipts, wagering liability, ticket redemption, and such other information relating to sports wagering as required," as the Commission must review and concur initial internal controls pursuant to Section 5.9.1 of the Compact.

*(9) Sports wagering systems, at a minimum, must be capable of generating reports necessary to record the adjusted gross receipts, wagering liability, ticket redemption, and such other information relating to sports wagering as required by ~~us~~, a tribal gaming agency, or internal controls. These reports **may include, as specified in the applicable tribal-state sports wagering compact amendment, but** are not limited to: (a) Gaming*



Operation Revenue reports; (b) Gaming Operation Liability reports; (c) Future Events reports; (d) Significant Events and Alterations reports; (e) Wager Record Information reports; (f) Market Information reports; (g) Contest/Tournament Information reports; (h) Player Account Information reports; (i) Sports Wagering System Information reports; (j) Significant Event Information reports; (k) User Access Information reports; and (l) any other reports required by ~~us or~~ a tribal gaming agency.

WAC 230-19-035 Sports wagering integrity

DraftKings respectfully requests the requirement for sports wagering vendors to notify the Commission for unusual wagering activity be removed to align with Sections 5.9.2.f and 7.22 of the Compact. Section 5.9.2.f requires internal controls to address procedures for identifying and reporting unusual and suspicious activity to an integrity monitoring provider. Section 7.22 sets a requirement for an integrity monitoring provider to notify different stakeholders, including the Commission, when an integrity monitoring provider identifies suspicious wagering activity. Based on those sections and the definition of an integrity monitoring provider in Section 2 of the Compact, the major sports wagering vendor should either be required to report unusual and suspicious activity to the integrity monitoring provider, which in turn will share with the Commission, or the major sports wagering vendor should be required to report suspicious activity to the Commission.

Sports wagering vendor and vendor representatives must promptly notify us, in the format we require, when ~~unusual wagering activity or~~ suspicious wagering activity is identified, including changes with the status of, or information related to, a previously reported unusual or suspicious wagering activity.

Or

*Sports wagering vendor and vendor representatives must promptly notify an **integrity monitoring provider** ~~us, in the format we require,~~ when unusual wagering activity or suspicious wagering activity is identified, including changes with the status of, or information related to, a previously reported unusual or suspicious wagering activity.*

WAC 230-19-045 Sports Wagering System Requirements

DraftKings respectfully requests the Commission include the language found in Section 5.3.4 of the Compact to provide clarity on what is a substantive modification.

(5) No substantive modifications to a sports wagering system may be made after an independent test laboratory has certified a sports wagering system without the



*modification being certified by the independent test laboratory. **The following modifications are not considered substantive and do not require notification to the Commission: (a) Changes to content not related to any regulated feature; (b) Installation or changes to backup software; (c) Adding or removing users; and (d) any system configuration changes that have no impact on the accuracy of report information including gaming revenue.***

* * * * *

Thank you for your consideration of DraftKings' comments in connection with the Proposed WSGC Sports Wagering DRAFT Rule Changes. DraftKings looks forward to continuing its work with the Commission to ensure that the Washington sports wagering market is best positioned for success.

Sincerely,

DraftKings Inc.



June 7, 2021

Via Email to Brian.Considine@wsgc.wa.gov and Ashlie.Laydon@wsgc.wa.gov

Brian Considine, Legal and Legislative Manager
Ashlie Laydon, Rules Coordinator
Washington State Gambling Commission
4565 7th Avenue S.E.
Lacey, WA 98503
(360) 486-3440

RE: Proposed WSGC Sports Wagering DRAFT Rule Changes (5/28/2021)

Dear Legal and Legislative Manager Considine and Rules Coordinator Laydon,

In response to the Proposed WSGC Sports Wagering DRAFT Rule Changes promulgated by the Washington State Gambling Commission (“Commission”), DraftKings Inc. (“DraftKings”) submits the following comments. As a leading sports wagering operator in the United States, DraftKings has first-hand experience with the topics addressed in the proposed rules and respectfully submits these comments based on its operational knowledge and its consumers’ experience in multiple regulated markets.

WAC 230-03-035 Applying for a license

DraftKings respectfully requests that the Commission consider amending WAC 230-03-035(2), with respect to the timeline for an incomplete application being administratively closed. As currently constructed, the subsection is vague and leaves to question when exactly the application remediation period begins. To help provide more clarity within the rule, DraftKings respectfully requests that the notification be in specific reference to an incomplete application. The proposed amendment would read as follows:

*(2) If the application is incomplete, you must provide us with the required items within thirty days of notification **of an incomplete application** or we may administratively close the application.*

WAC 230-03-311 Applying for a major sports wagering vendor representative license

DraftKings respectfully requests that the Commission narrow the reach of WAC 230-03-311, with respect to who must apply for a major sports wagering representative license. As currently constructed, the language could require the entire workforce of a sports wagering vendor to be



licensed as a major sports wagering vendor representative. If the Commission were to require all employees to be licensed as a vendor representative, this would be overly burdensome on vendors and the Commission. DraftKings respectfully suggests the language be amended in the following way:

You must apply for a major sports wagering representative license if you, as an individual, ~~sell, market, promote, represent, service, or otherwise~~ work in any sports wagering activities under employment or contract to a major sports wagering vendor in our state or you supervise those who do.

With the above changes, DraftKings believes that the Commission will still be able to license appropriate persons, including those that work in sports wagering, their managers, or those that service sports wagering kiosks, but will not reach the next wave of persons that could be wrapped into this requirement, like business development representatives or lawyers.

WAC 230-05-170 Fees for other businesses

DraftKings respectfully requests that the Commission consider lowering the base license fee for all three levels of sports wagering vendors. As currently drafted, these fees are higher for vendors in similar on-premises wagering jurisdictions but also higher than many states where mobile sports wagering is offered statewide. This is important to note as the total addressable market in jurisdictions that legalize statewide mobile sports wagering is significantly larger than those that only permit retail/on-premises wagering. DraftKings requests that these fees be lowered in the following manner to not be prohibitive for vendors entering Washington to help create a successful sports wagering market.

<i>Major Sports Wagering Vendor</i>	<i>\$85<u>15</u>,000</i>
<i>Mid-level Sports Wagering Vendor</i>	<i>\$105<u>05</u>,000</i>
<i>Ancillary Sports Wagering Vendor</i>	<i>\$5,01<u>500</u></i>

WAC 230-06-xxx Submitting sports wagering related contracts and agreements for review

DraftKings respectfully requests the requirement in WAC 230-06-xxx that any new or amended contract be submitted to the state prior to execution be stricken in its entirety. As drafted, this requirement is untenable for vendors. Sports wagering vendors are rapidly growing companies and onboard lots of vendors each year, and as written, many of these vendors could be interpreted under this requirement to “relate to [a sports wagering vendor’s] goods and/or services” in the state that in actuality have a very limited connection to the state or the sports wagering vendor’s sports wagering activity. In addition, requiring vendors to submit contracts and agreements, or changes to contracts and agreements, ahead of execution to those contracts or agreements to onboard



vendors with minimal impact on our operations in Washington would be very burdensome on vendors and create a significant administrative challenge, especially when sports wagering vendors will need to onboard certain vendors in real-time to address issues that may arise. Further, requiring these contracts to be submitted as contemplated creates no benefit to the wagering public in Washington and could inhibit operators in providing the wagering services.

~~Sports wagering vendors must provide any new contracts or agreements or changes to existing contracts or agreements relating to their sports wagering goods and/or services in the state of Washington, to us, prior to execution of the contract or agreement.~~

If this requirement is not struck in its entirety, DraftKings respectfully requests the language be reduced to:

Annually with its license renewal, sports wagering vendors shall provide a list of vendors providing sports wagering goods and/or services in the state of Washington.

WAC 230-17-005 Sports Wagering Definitions

DraftKings respectfully requests the definition of “*sports wagering system*” be amended to better match the definition in other sports wagering jurisdictions, including Michigan. DraftKings also respectfully requests that the term “*sports wagering kiosks*” be removed from the definition, as it is already defined in this section. By defining a kiosk to be a sports wagering system, it could require that kiosks must be tested and certified under two different requirements, making the WAC 230-17-xxx(2) of Sports Wagering System Requirements section redundant.

~~(12) “Sports Wagering System” means all equipment, hardware, data networks, communications technology, and software used in a sports wagering operation and that directly affect the wagering and results of sports wagering, including, but limited to: (a) interactive components, including all associated equipment and software that comprise the sports wagering platform used by a sports wagering operation or for online or mobile sports wagering; (b) sports wagering kiosks; and (c) ticket or voucher redemption devices. This does not include a Mobile Device owned and used by a patron to place a Sports Wager.~~

WAC 230-17-xxx Accounting records for sports wagering vendors.

DraftKings respectfully requests that the Commission clarify the requirement that sports wagering vendors keep and maintain a complete set of records for their licensed activity to specify that it only relates to their activity in Washington. This requirement could be interpreted to mean the full extent of a sports wagering vendors’ licensed activity, even those outside of the state of



Washington, which is inconsistent with any other jurisdiction currently regulating sports wagering in the United States. The proposed amendment would read as follows:

Sports wagering vendors must keep and maintain a complete set of records for their licensed activity in the state of Washington and include...

DraftKings respectfully requests that the Commission narrow the scope of expenses that sports wagering vendors must document, from all expenses to sports wagering expenses in Washington. This requirement is broad and unduly burdensome for sports wagering vendors to comply with no corresponding benefit to the wagering public. DraftKings would also request that sports wagering vendors be able to enter this annually instead of monthly to further reduce the burden this requirement creates. The proposed amendment would read as follows:

(a) Cash disbursements book (check register) - Sports wagering vendors must document all sports wagering related expenses in the state of Washington, ~~both sports wagering and non sports wagering related~~, with invoices or other appropriate supporting documents. They must enter information annually ~~monthly~~ and include, at least:

- (i) The date the check was issued or payment made;*
- (ii) The number of the check; and*
- (iii) The name of the payee; and*
- (iv) Type of expense; ~~and~~*

DraftKings respectfully requests that the Commission narrow the requirement that sports wagering vendors must record all cash sales and cash received from all sources, from all cash sales and cash received to cash sales and cash received related to sports wagering in Washington. This requirement is broad and unduly burdensome for sports wagering vendors to comply with no corresponding benefit to the wagering public. The proposed amendment would read as follows:

Sports wagering vendors must keep a record of sports wagering related cash sales and cash received from all sources in the state of Washington.

WAC 230-17-xxx Sales invoices for sports wagering vendors

Similar to the reasons stated above for accounting records, DraftKings respectfully requests the Commission narrow the requirement to document transactions and transfers of equipment or services to those that take place in connection to sports wagering operations in Washington.



*Sports wagering vendors must document each sale of equipment or services, any return or refund, or any other type of transfer of sports wagering equipment **in connection to sports wagering operations in the state of Washington**, with a standard sales invoice.*

WAC 230-17-xxx Sales journals for sports wagering vendors

Similar to the reasons stated above for accounting records, DraftKings respectfully requests the Commission narrow the requirement that sports wagering vendors only be required to keep a monthly sales journal related to sales taking place related to their sports wagering operations in Washington.

*Sports wagering vendors must keep a monthly sales journal containing **information about sales for the sports wagering operations in the State of Washington**, **containing** at least:*

- (1) Each date of sale; and*
- (2) Each sale invoice number; and*
- (3) The name of the person paying; and*
- (4) Sales categorized by the sports wagering goods, equipment or services sold; and*
- (5) The total amount of each invoice.*

WAC 230-17-xxx Sports Wagering Integrity

DraftKings respectfully requests that the Commission consider amending the requirement that sports wagering vendors and vendor licensees immediately notify the Commission upon violation or suspected violation of local, state, tribal or federal ordinances, statutes, administrative rules or court order. This requirement serves a paramount policy goal, but DraftKings respectfully requests that sports wagering operators notify as soon as is practicably possible to afford sports wagering vendors and their representatives time to investigate the issue. This is especially important as it relates to “*suspected violations*” outlined in the draft rules.

*(1) Sports wagering vendor and vendor representative licensees must ~~immediately~~ notify us **as soon as practically possible** upon any discovery of a violation or of a suspected violation of RCW 9.46, this Chapter, or any violation of local, state, tribal, or federal ordinances, statutes, administrative rules or court orders.*

In subsection (3), DraftKings respectfully requests that licensees be required to make “commercially reasonable” efforts to detect and prevent prohibited sports wagering participants from participating in sports wagering. This is the standard traditionally used in other sports wagering jurisdictions. One example of where this is important deals with prohibited sports wagering participants. In order to correctly prevent those persons from wagering, sports wagering operators rely on lists that prevent account creation, payouts of certain winnings, etc. However, if



sports wagering operators do not have accurate or up-to-date lists and a prohibited sports wagering participant creates an account or places a wager, a sports wagering operator should not be held liable.

(3) Licensees must make ~~all~~ commercially reasonable efforts to detect and prevent prohibited sports wagering participants from participating in sports wagering.

In subsection (4) there is a similar notice requirement that DraftKings respectfully requests the Commission consider amending for the same reasons stated above to subsection (1), and further requests that licensees are only required to share “suspicious activity” with the Commission. Based on our understanding of the authorizing statute, the focus for the Commission is on suspicious activity, and the role of the Integrity Monitoring Provider is to help determine whether unusual activity arises to suspicious activity. The proposed changes incorporate these changes and read as follows:

(4) Licensees must ~~immediately~~ notify us, as soon as practically possible, in the format we require, when ~~unusual wagering activity or~~ suspicious wagering activity is identified, including changes with the status of, or information related to, a previously reported unusual or suspicious wagering activity.

DraftKings respectfully requests that the requirement that licensees provide the Commission access to its sports wagering system be amended to provide access in the form of reports and documentation and limit that access to the reports and documentation related to sports wagering in Washington. While DraftKings recognizes the importance of ensuring sports wagering is conducted with integrity, it believes reports and documentation can meet the Commission’s policy intentions without having direct access.

“Licensees will provide us, or an Integrity Monitoring Provider(s) designated by us, ~~access~~ relevant information and documentation related to their sports wagering system in the state of Washington, ~~including hardware and software if needed to assist us with integrity monitoring and investigations.~~”

WAC 230-17-xxx Integrity Monitoring Provider Requirements

DraftKings respectfully requests that the Commission consider amending WAC 230-17-xxx(1), with respect to the requirement that integrity monitoring providers be capable of receiving daily sports wagering information. The requirement as drafted could blur the role of the integrity monitoring provider. While it is important that an analytical system be capable of receiving and analyzing information daily, the primary role of the integrity monitoring provider is to receive alerts deemed “unusual” by sports wagering operators and help to determine if those alerts rise to



the level of “suspicious.” That is also congruent with the role specifically laid out in the definition of an “*Integrity Monitoring Provider*” in WAC 230-17-005(5). In order to remove the confusion that there may be required daily reporting, DraftKings respectfully suggests the following changes:

*(1) Integrity monitoring providers must have ~~analytical~~ systems to receive and analyze daily **unusual** sports wagering information and data from a sports wagering operation to assist in identifying and be able to monitor, identify, analyze, and report on suspicious or ~~unusual~~ wagering activity.*

In subsection 3, DraftKings respectfully requests that the requirement be amended to match how integrity monitoring is performed in other jurisdictions. Specifically, if an integrity monitoring provider receives reports of unusual wagering activity from a sports wagering operator or another source (ex. professional sports league), they will reach out to other sports wagering operators to investigate and try to determine if this arises to suspicious wagering activity. In contrast, when integrity monitoring providers identify suspicious wagering activity after investigating and reviewing unusual wagering activity, this triggers the integrity monitoring provider’s duty to notify the Commission. This is a process sports wagering operators are familiar with and has proven effective.

*(3) Integrity Monitoring Providers must immediately notify ~~us~~ **sports wagering operators** when they identify unusual wagering activity and notify the Commission when they identify or suspicious wagering activity.*

WAC 230-17-xxx Sports Wagering System Requirements

DraftKings respectfully requests that the Commission amend its kiosk testing requirement to sync with subsection (2) before it. The term “approved” is redundant and potentially confusing, as a kiosk will not be certified if it has not been approved.

(3) All sports wagering kiosks must be tested, ~~approved~~, and certified by a licensed independent testing laboratory.

DraftKings respectfully requests that the requirement that no substantive modifications be made without being previously certified by an independent lab be amended to clarify what substantive modifications rise to the level of needing subsequent certification. Specifically, DraftKings respectfully requests this to align with “high impact changes” as determined by the sports wagering operator according to its internal controls.

(6) No substantive modifications, as defined in a sports wagering operation’s internal controls, to a sports wagering system may be made after an Independent Test Laboratory



has certified a sports wagering system without the modification being certified by the Independent Test Laboratory.

In relation to the server location requirements, DraftKings respectfully requests that the term “primary server” be defined and that cloud storage be authorized for more than duplicate or back up data and that cloud storage facilities are not required to be located in the state. Making these changes would align with the other sports wagering jurisdictions across the country and requiring cloud storage to be in-state and only for duplicate or backup data is extremely burdensome on sports wagering operators.

*(8) The primary server, **defined as the server responsible for the acceptance and storage of patron wagers**, for a sports wagering system must be in the state and located within a Class III tribal gaming facility.*

(9) Cloud storage for sports wagering data and information may be used ~~for duplicate or backup data~~. Cloud storage facilities must be located in the state.

With respect to subsection (10), DraftKings respectfully requests further clarification as to what type of information is required to be included in sports wagering system reports. As an operator in numerous jurisdictions across the country, any logical uniformity that can be achieved for reporting requirements is extremely valuable and helps create a more efficient and safe process for both sports wagering operators and regulators. As currently drafted, these reporting requirements do not make it clear what type of information is required to be included, and likely create a framework where compliance is extremely difficult, as it is unclear how frequent these reports are required to be created and submitted to the Commission or a tribal gaming agency. Based upon DraftKings experience in other jurisdictions, a comprehensive report that includes information regarding Gaming Operation Revenues, Gaming Operation Liability, Future Events, Wager Record Information, and Expired tickets, has been sufficient for other regulators. DraftKings would also respectfully request the time to produce and submit these reports be a commercially reasonable time period, which is a standard that has been adopted in other sports wagering jurisdictions for certain reports, including Illinois. The proposed amendment would read as follows:

*(10) Sports wagering systems, at a minimum, must be capable of generating reports necessary to record the adjusted gross receipts, wagering liability, ticket redemption, and such other information relating to sports wagering as required by us, a tribal gaming agency, or internal controls. These reports **must be submitted upon request by the Commission in a commercially reasonable time period, and** include, ~~but are not limited to~~: (a) Gaming Operation Revenue reports; (b) Gaming Operation Liability reports; (c) Future Events reports; ~~(d) Significant Events and Alterations reports;~~ ~~(ed)~~ Wager Record Information reports; ~~(f) Market Information reports;~~ ~~(g) Contest/Tournament Information~~*



reports; (h) Sports Wagering Account Information reports; (i) Sports Wagering System Information reports; (j) Significant Event Information reports; (k) User Access Information reports; (l) Wagering Device Information reports; (m) Promotion/Bonus Information reports; (n) Event Game Play reports; and (oe) Expired tickets reports; and (p) any other reports required by us or a tribal gaming agency.

With respect to subsection (11), DraftKings respectfully requests a minor change that clarifies that patron-controlled wager and deposit limits are only guaranteed on mobile wagering systems, as wagers placed on kiosks and through cashiers may not have this functionality.

*(11) Sports wagering systems and sports wagering kiosks will, at a minimum, allow for a display of commitment to responsible gaming and link to the Class III tribal sports wagering operator's responsible gaming policies. It will also have solutions for including, but not limited to: patron controlled wager and deposit limits, **where permissible**; and connecting players to problem gambling resources.*

WAC 230-17-xxx Sports Wagering Account Requirements

DraftKings respectfully requests that the Commission consider amending WAC 230-17-xxx(3), the requirement that sports wagering accounts must be registered and verified in-person at a tribal gaming facility. As currently constructed, this section could be interpreted to require players to verify their sports wagering accounts in-person each time they return to a tribal gaming facility, regardless of whether they have previously registered at that same tribal gaming facility or already have an existing sports wagering account with a sports wagering vendor.

Additionally, DraftKings respectfully requests that the requirement allow players to register at a tribal gaming facility without having to interact with a sports wagering employee. Other sports wagering states, including Iowa and Illinois, two states that required in-person registration at a sports wagering facility in some capacity for some period of time, but the regulations have been drafted to allow for a completely automated sign up process for an account while at the facility. DraftKings respectfully requests that Washington take the same approach.

*(3) A sports wagering account must be registered and verified ~~in-person~~ at a tribal gaming facility before the acceptance of any wager using that Sports Wagering Account. **Players who have previously registered and have been verified at a tribal gaming facility will not be required to be subsequently registered or verified at that same tribal gaming facility thereafter.***

DraftKings respectfully requests subsection (4) be amended to match the requirement as it exists in other sports wagering jurisdictions, including Michigan.



*(4) A player's identification for a sports wagering account must be **periodically** reverified upon reasonable suspicion that the player's identification has been compromised.*

With respect to subsection (5), DraftKings respectfully requests further clarification on our interpretation that a licensee must hold player account funds at a federally regulated financial institution that is licensed to operate and thus do business in Washington, and not be physically located in the state.

* * * * *

Thank you for your consideration of DraftKings' comments in connection with the Proposed WSGC Sports Wagering DRAFT Rule Changes. DraftKings looks forward to continuing its work with the Commission to ensure that the Washington sports wagering market is best positioned for success.

Sincerely,

DraftKings Inc.

From: [Considine, Brian \(GMB\)](#)
To: [Laydon, Ashlie \(GMB\)](#)
Subject: FW: BetMGM Comments on WA State Proposed Rules
Date: Monday, June 7, 2021 2:05:17 PM
Attachments: [image002.png](#)
[image004.png](#)

Brian J. Considine
Legal and Legislative Manager
Washington State Gambling Commission
(360) 486-3469 (office)
(360) 485-8921 (mobile)
Brian.considine@wsgc.wa.gov



From: Limun, Jeremy <jlimun@mgmresorts.com>
Sent: Monday, June 7, 2021 1:42 PM
To: Considine, Brian (GMB) <brian.considine@wsgc.wa.gov>
Cc: Limardo, Rick <rlimardo@mgmresorts.com>
Subject: BetMGM Comments on WA State Proposed Rules

External Email

Hi, Brian. Thank you so much for the opportunity to participate in the rulemaking process. Our regulatory team shortly will be sending our public comments. But I just wanted to flag just three substantive items in advance (overall, the rules were positive so we don't have a lot of issues).

1. **Remote registration and tribal mobile:** Clarification on whether verification on a mobile device at a tribal gaming facility would be permissible and the definition of tribal premises for purposes of geofencing.
2. **Vendor and occupational licensing:** We have a couple of comments and points of clarification on the types of vendors and employees that will require licensing.
3. **Temporal requirements:** We have some recommendations on some of the notification windows.

As always, please don't hesitate to let us know if you have any questions on our comments or on the rules in general. Thank you.

Regards,

Jeremy Limun

Director, Government Affairs
MGM Resorts International
O 702-692-6881
M 702-205-4089
jlimun@mgmresorts.com



June 7, 2021

VIA E-mail to Brian Considine at Brian.considine@wsgc.wa.gov and Ashlie Laydon at Ashlie.laydon@wsgc.wa.gov

Washington State Gambling Commission

Dear Brian and Ashlie,

On behalf of BetMGM, LLC (“BetMGM”), we would like to express our appreciation for seeking our input during the stakeholder process to develop the state’s event wagering rules.

BetMGM is a market leading online gaming and entertainment company. Born out of a partnership between MGM Resorts International and Entain Plc, BetMGM has exclusive access to all of MGM's U.S. land-based and online sports betting, major tournament poker, and iGaming businesses. BetMGM currently offers sports betting in 12 U.S. jurisdictions (Colorado, Indiana, Iowa, Michigan, Mississippi, Nevada, New Jersey, Oregon, Pennsylvania, Tennessee, Virginia, and West Virginia).

BetMGM appreciates the opportunity to provide the following feedback and commends your commitment to transparency and fostering a robust event wagering market in a responsible and expeditious manner. As a premier sports betting operator in the country, BetMGM stands ready to be a resource to the Commission as it aims to establish a successful event wagering industry. Please feel free to reach out to us with any questions or if you would like to discuss any of the topics presented below in further detail.

1. Rule: WAC 230-03-060 Fingerprinting.

(1) The following persons must submit fingerprints and undergo a national criminal history background check:

- (a) Substantial interest holders of commercial businesses and charitable or nonprofit organizations who live or have lived out of the state in the last ten years; and
- (b) Card room employees, commercial and nonprofit gambling managers, and manufacturer, distributor, service supplier, call centers for enhanced raffles, and linked bingo prize provider, and sports wagering vendor representatives; and
- (c) Any other substantial interest holder when we have information they may not be qualified for licensure or to participate in a gambling activity.

BetMGM Comment:

BetMGM seeks confirmation that this requirement would apply to substantial interest holders of sports wagering vendors. It is unclear is this would apply to businesses that are licensed as a sports wagering vendor

It appears that the impact of this language will be determined by the definition of "sports wagering vendor representatives." As discussed relating to 230-03-311 below, the regulation



could be read expansively to apply to all BetMGM employees. Clarification is requested on that definition to analyze the impact of this fingerprinting requirement.

2. Rule: WAC 230-03-200 Defining “gambling equipment.”

(4)(b) Components of a sports wagering system;

BetMGM Comment:

BetMGM seeks clarification of what defines “Components” of a sports wagering system.

3. Rule WAC 230-03-230

You must apply for a major sports wagering vendor license if you provide integral sports wagering goods or services in our state. This includes:

- (1) Managing a Tribe’s or Tribes’ sports wagering operations;
- (2) Being a Tribe’s or Tribes’ primary consultant who provides substantial sports wagering related services;
- (3) Being a manufacturer or distributor of a sports wagering system(s);
- (4) Providing bookmaking services; or
- (5) Providing sports wagering risk management services.

BetMGM Comment:

BetMGM seeks confirmation that companies that contract with tribes to operate sports wagering will be required to hold this “major sports wagering vendor license” and seeks further clarification regarding the use of the term “sport wagering operator” and what that terms applies to as used in the draft rules.

For (5) “Providing sports wagering risk management services” BetMGM seeks clarification on the scope of risk management services that are included in this subrule. Does this include Geo-comply? PEN Testing? Other?

4. Rule WAC 230-03-231 Applying for a mid-level sports wagering vendor license

(1) Integrity monitoring

BetMGM Comment:

BetMGM seeks clarification on the scope of “integrity monitoring” that is included in this subrule. Does integrity monitoring include Sports wagering testing or firms conducting PEN testing? BetMGM recommends amending to specify “Integrity monitoring provided by independent test laboratories.”

Rule (cont.)

(4) Initial or annual sports wagering system security testing or assessment;

BetMGM Comment:

BetMGM recommends specifying a timeframe for this such as, “the responsible party shall perform an integrity and security assessment of the event wagering system within ninety (90) days after the commencement of operations, and annually. The assessment shall be submitted to



the Commission no later than thirty (30) days after the assessment.” This will provide operators a chance to formulate a remediation plan after such security testing / assessment.

In addition, suggesting independent integrity and security assessment professionals shall obtain a license prior to conducting an assessment will create a limited pool of professionals to select from. Operators have a vested interest ensuring the most qualified security assessment professionals are selected. BetMGM recommends affording companies select security professionals based on the industry known credentials.

5. Rule WAC 230-03-311 Applying for a major sports wagering vendor representative license

You must apply for a major sports wagering representative license if you, as an individual, sell, market, promote, represent, service, or otherwise work in any sports wagering activities under employment or contract to a major sports wagering vendor in our state or you supervise those who do.

BetMGM Comment:

BetMGM seeks clarification regarding the limits of this licensing requirement. Would this requirement extend to anyone that works for a Major Sports Wagering Vendor and require that all employees be licensed as a representative? Would this extend to all traders that activate markets in WA, all compliance personnel that perform work relating to WA, etc.?

BetMGM seeks further clarification that this “representative” license will not apply to “substantial interest holders” of a Major Sports Wagering Vendor.

BetMGM recommends that this “representative” license apply only to those Major Sports Wagering Vendor employees that are physically located in Washington.

6. Rule WAC 230-03-335 Representatives must not work before receiving a license.

If you are applying for a license as a representative for a manufacturer, distributor, gambling services supplier, call centers for enhanced raffles, a sports wagering vendor, or linked bingo prize provider, you must not work until you receive a license from us.

BetMGM Comment:

BetMGM seeks confirmation that this rule does not prohibit a licensee from hiring and training personnel before they are licensed.



BETMGM

7. Rule WAC 230-06-030 Restrictions and conditions for gambling promotions.

(1) You must establish rules and restrictions to determine how you will give promotional prizes and items to players;

...

(7) Licensed manufacturers, distributors, and service suppliers may give cash or merchandise items to licensed operators to be used as promotional prizes as long as:

(a) The cash or merchandise is offered to all licensed operators; and

(b) The gambling promotion is approved by the director or director's designee when cash or merchandise provided to a licensed operator for a single promotion is over twenty-five thousand dollars;

BetMGM Comments:

(1) BetMGM seeks clarification as to whether these "established promotional rules" have to initially be approved by the regulator before a licensee can proceed with promotions without further review and approval.

(7) BetMGM seeks clarification as to what situations this section would apply to? Is this referring to an industry-wide promotion that a manufacturer/distributor/supplier wants to initiate? Are these requirements therefore imposed on the manufacturer/distributor/supplier and not the operator/vendor?

8. Rule WAC 230-06-082

Manufacturers, distributors, gambling service suppliers, **sports wagering vendors**, linked bingo prize providers and call centers for enhanced raffles licensees must:

(1) Submit an application and the required fees before allowing licensed employees **or sports wagering vendor representatives** to begin working.

(2) Notify us in the format we require when a licensed employee **or sports wagering vendor representative** no longer works for them. We must receive the notice at our Lacey office within ten days of the licensed employee's **or representative's** last day.

BetMGM Comment:

(1) See Comment to 230-03-335 - BetMGM seeks confirmation that it can hire and train personnel before they are licensed.

(2) See comment on representative licensing. If representative licensing extends to all or a significant portion of Vendor employees tracking and providing such notification within the proposed timeframe will be difficult and overly burdensome.



BETMGM

9. Rule (NEW) WAC 230-17-xxx Authorized Sports Wagering Menu

- (1) Sports wagering vendor licensees may only offer, facilitate, or promote wagering that is approved on the Authorized Sports Wagering Menu.
- (2) The Authorized Sports Wagering Menu will be updated as leagues, organizations, or types of wagers are approved or removed.
- (3) The Authorized Sports Wagering Menu will be published on the commission's website.

BetMGM Comment:

What, if any, process will exist for operators to request additional events or wager-types?

10. Rule (New) WAC 230-17-xxx Sports Wagering Integrity

- (1) Sports wagering vendor and vendor representative licensees must immediately notify us upon any discovery of a violation or of a suspected violation of RCW 9.46, this Chapter, or any violation of local, state, tribal, or federal ordinances, statutes, administrative rules or court orders.

...

- (4) Licensees must immediately notify us, in the format we require, when unusual wagering activity or suspicious wagering activity is identified, including changes with the status of, or information related to, a previously reported unusual or suspicious wagering activity.

BetMGM Comment:

Similar to the above requirement **WAC 230-06-054** , BetMGM recommends providing a 72 hour notification window to be added.

11. Rule (NEW) WAC 230-17-xxx Integrity Monitoring Provider Requirements

- (3) Integrity Monitoring Providers must immediately notify us when they identify unusual wagering activity or suspicious wagering activity.
- (4) Integrity Monitoring Providers must immediately notify us, and all other Integrity Monitoring Providers, sports wagering operators, and all other agencies or organizations as directed by us, on any previously reported unusual wagering activity it finds rises to the level of suspicious wagering activity.

BetMGM Comment

Similar to the above comment , BetMGM recommends providing a 72 hour notification window to be added.



BETMGM

12. Rule (NEW) WAC 230-17-xxx Sports Wagering System Requirements

(2) All sports wagering systems must be tested and certified by a licensed independent testing laboratory.

(3) All sports wagering kiosks must be tested, **approved**, and certified by a licensed independent testing laboratory.

(4) All sports wagering systems must be approved by the Tribal Gaming Agency where the system is to be installed and operated.

BetMGM Comment:

BetMGM recommends removing “approved” from subsection (3) to require the kiosks to be tested and certified by a laboratory, but ultimately “approved” by the Tribal Gaming Agency.

13. Rule (NEW) WAC 230-17-xxx Sports Wagering System Requirements

(9) Cloud storage for sports wagering data and information may be used for duplicate or backup data. Cloud storage facilities must be located in the state.

BetMGM Comment:

BetMGM recommends allowing cloud storage facilities outside the state, so long as it is accessible to the Commission.

Rule (cont.)

(11) Sports wagering systems and sports wagering kiosks will, at a minimum, allow for a display of commitment to responsible gaming and link to the Class III tribal sports wagering operator’s responsible gaming policies. It will also have solutions for including, but not limited to: patron controlled wager and deposit limits; and connecting players to problem gambling resources.

BetMGM Comment:

BetMGM seeks clarification as to whether there will there be any responsible gaming requirements specific to mobile applications?

Rule (cont.)

(12) Licensees bringing sports wagering systems, components, and kiosks into the state must provide us access to the sports wagering system(s), including hardware, software or other related sports wagering equipment as needed for us to develop our regulatory program and trainings. Sports wagering system hardware, software, or other related equipment provided to us must be identical or substantially similar to what is deployed in the state.

BetMGM Comment:

How far in advance is access to sports wagering systems, components, and kiosks required to be provided?



BETMGM

14. Rule (NEW) WAC 230-17-xxx Geofence and Geolocation Requirements

(1) Mobile sports wagering must be contained to an approved Class III tribal gaming facility premises as approved pursuant to each tribal-state sports wagering compact amendment. Licensees will incorporate controls, including geofence and geolocation compliance and monitoring, to ensure wagers cannot be placed in violation of federal, state, or tribal laws and rules within each jurisdiction.

BetMGM Comment:

BetMGM seeks clarification as to the meaning of “premises” (i.e. does the premises include all lands owned by the tribe? Some subset of tribal lands where a physical gaming facility exists? Or some other definition?).

15. Rule (NEW) WAC 230-17-xxx Sports Wagering Account Requirements

(1) Licensees that manage or have access to a sports wagering account must maintain and produce all sports wagering account information when requested by us or a tribal gaming agency.

BetMGM Comment:

BetMGM recommends adding a temporal requirement i.e. such information must be produced within 10 days of a request.

Rule (cont.)

(3) A sports wagering account must be registered and verified in-person at a tribal gaming facility before the acceptance of any wager using that Sports Wagering Account.

BetMGM Comment:

BetMGM seeks clarification on the definition of “in-person.” Would verification on a mobile device on or at a tribal gaming facility suffice?

16. Rule (NEW) WAC 230-17-005 Sports Wagering Definitions

(13) “**Sports wagering vendor**” means all three sports wagering licensees—major, mid-level, and ancillary—identified in this Chapter unless identified otherwise in these rules.

BetMGM Comment:

BetMGM recommends specifically identifying each level of sports wagering vendor license to clarify which vendors will require a major, mid-level, and ancillary license.

From: [Edward Fleisher](#)
To: [Considine, Brian \(GMB\)](#)
Cc: [Griffin, Tina \(GMB\)](#); [Suzanne \(ATG\)](#); [Sizemore, Bud \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#); [James, Sharon M. \(ATG\)](#); [Lies, Julie \(GMB\)](#); [Kara Fox-Larose](#); [Paul Dasaro](#); [Phil Harju](#)
Subject: Sports Wagering Draft Rules for Comment
Date: Friday, June 4, 2021 3:28:58 PM

External Email

Brian – Thank you for seeking stakeholder input on the proposed Sports Wagering Rules.

While I may have additional suggestions as the process moves forward, at this time I will limit my comments to three areas where I have significant concerns with the state’s approach.

My first and by far biggest concern is the proposed language for WAC Sub-Chapter 230-17.

This sub-chapter sets forth definitions, accounting standards, records keeping requirements, and other operational requirements for sports wagering.

Placing this language in the Washington Administrative Code is simply inappropriate. It is disrespectful of tribal sovereignty, of government-to-government relationships, of the role of Tribal Gaming Agencies as the primary regulator of Class III Gaming, and of the long hours of work invested by all sides in the compact negotiation process.

IGRA (and state law) require that Tribal gaming be conducted according to the language and requirements of the IGRA, the compact and the internal controls, not by the WAC regulations unilaterally adopted by the state.

In the Sports Wagering Compact negotiations, when the Tribes agreed to the state’s position of adding new licensing categories for sports wagering, we understood that this would involve new state rules for certification (licensing) of sports wagering vendors and representatives. We did not expect that the state would expand the scope of their rulemaking from Sports Wagering Vendor Licensing to the general regulation of sports wagering activities.

This rule making must distinguish between rules related to the backgrounding and licensing of Vendors, and rules related to the operation and conduct of a Tribe's Sports Book activities. The former is a proper subject of state rule making, the latter belongs in a Compact and/or the internal controls agreed to by a Tribe and the state of Washington. We spent many hours in negotiations discussing what language should be in the Compact and what should reside in the IC’s. The state cannot now ignore that process and adopt its own rules for regulation of Class III Sports Wagering, which it appears to me is exactly what you are attempting to do in Sub-Chapter 230-17.

I would request that all this proposed language in Chapter 230-17 be stricken from the rule making.

-

My second concern is the contract submission requirements in WAC 230-03-xxx titled “Additional information required for sports wagering vendors”, and in WAC 230-06-xxx titled “Submitting sports wagering related contracts and agreements for review”.

Why is this requirement placed on Sport Wagering vendors, when it is not placed on other licensees? I am unaware of any other area where you make licensees submit contracts for review before they are even signed.

I am concerned that by submitting these proprietary business agreements to the state, they will become public records. If you think some Public Records exemption applies, please let me know.

Finally, I am concerned that these sections are written so broadly that it is not clear exactly what range of contracts a vendor would have to submit.

My third area of concern is the Fee Schedule in WAC 230-05-170. For other type of class III vendors, the fee has a minimum and a maximum based on the amount of Gross Receipts. Why is there only a single fixed fee for Sports Wagering Vendors regardless of size or amount of business conducted in the state? Also, the fee for Major SW Vendors is \$85,000, which is 3.5 times the maximum fee charged Manufacturers, who’s fees range from \$1,500 to \$25,000. What is the rational behind that?

Again, thanks for the opportunity to provide input on the proposed rules. I hope my comments are helpful.

Ed Fleisher
General Counsel
Cowlitz Tribal Gaming Authority

NOTICE: This communication may contain confidential, privileged information. Please do not read, copy, or disseminate it unless you are an intended recipient. If you have received it in error, please notify us by e-mail or by calling 360-790-2036. Thank you.

From: [Andrew Winchell](#)
To: [Considine, Brian \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#)
Cc: [Cory Fox](#); [Alex Smith](#)
Subject: FanDuel Comments on "Proposed WSGC Sports Wagering DRAFT Rule Changes"
Date: Monday, June 7, 2021 7:42:00 AM
Attachments: [image001.png](#)
[FanDuel Comments on Proposed WSGC Sports Wagering DRAFT Rule Changes 6.7.21.pdf](#)

External Email

Dear Manager Considine and Coordinator Laydon,

Thank you very much for the opportunity to provide comments from FanDuel on the "Proposed WSGC Sports Wagering DRAFT Rule Changes." Attached please find our comments and please let me know if you have any questions or need additional clarification on our suggested changes.

Sincerely,

Andrew J. Winchell

Director, Government Affairs

Mobile: 845.325.6235

Email: andrew.winchell@fanduel.com

FANDUELGROUP





Cory Fox
cory.fox@fanduel.com

June 7, 2021

Via Email to Brian.considine@wsgc.wa.gov and Ashlie.laydon@wsgc.wa.gov

Brian J. Considine, Legal and Legislative Manager
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504

Ashlie Laydon, Rules Coordinator
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504

Re: FanDuel Comments on “Proposed WSGC Sports Wagering DRAFT Rule Changes”

Dear Manager Considine and Coordinator Laydon:

I write to provide comments on behalf of FanDuel Group, Inc. (“FanDuel”) regarding the Washington State Gambling Commission’s (“Commission”) “Proposed WSGC Sports Wagering DRAFT Rule Changes” (“Proposed Rules”). Based on our extensive experience as an operator in the sports betting industry and collaborator with regulators of sports betting in many states in the development of their regulations, we offer constructive feedback on ways in which the Proposed Rules can be improved for effectiveness and consistency with other state regulations.

Following the Supreme Court’s decision to strike down the Professional and Amateur Sports Protection Act (PASPA) in May of 2018, FanDuel has now become the leading sports wagering operator, and the largest online real-money gaming operator, in the United States. FanDuel currently operates sixteen (16) brick and mortar sportsbooks in nine (9) states and online sports wagering in ten (10) states. We appreciate the opportunity to share our perspective on sports betting regulation with you and have arranged our comments in three parts. Part I is focused on major issues of concern in the Proposed Rules that may significantly impact the ability of sports wagering operators to successfully operate in Washington. Part II is focused on areas in the Proposed Rules where adjustments can be made to improve the regulation and operation of sports wagering. Finally, Part III is focused on requests for clarification.

All changes will be shown as follows: proposed additional text will be bolded and underlined and all text to be deleted will be bracketed and struck through. For the sake of clarity, where we are suggesting changes to existing regulations that the Commission is also proposing changes, our additions will be shown in black, while Commission proposed changes will be shown in red.

Part I - Major Concerns.

- *Issue 1 – Sports Wagering Vendor Representative Licensing.*

The Proposed Rules include three new rules (WAC 230-03-311, 312, and 313) which require sports wagering vendors to have their business and marketing representatives licensed. As we have worked with regulators on employee and key employee licensing in numerous jurisdictions, we have not seen such a requirement applied to sports wagering. While requirements vary by state, generally, the employees who may be required to be licensed fall into one of three buckets: 1) employees who interact directly with the public in a retail setting; 2) employees who have the ability to directly implement changes to the sports wagering system; and 3) employees who have access to customer personally identifiable information (PII). We have not seen requirements by regulators to license our business and marketing representatives. To address this concern, we suggest the following amendments:

“(NEW) WAC 230-03-311 Applying for a major sports wagering vendor [~~representative~~] employee license

You must apply for a major sports wagering [~~representative~~] employee license if you, as an individual, [~~sell, market, promote, represent, service, or otherwise work in~~] have the capability to directly affect the outcome of a sports wagering or the capability of directly affecting a payout to a patron related to any sports wagering activities under employment or contract to a major sports wagering vendor in our state or you supervise those who do.”

“(NEW) WAC 230-03-312 Applying for a mid-level sports wagering vendor [~~representative~~] employee license

You must apply for a mid-level sports wagering [~~representative~~] employee license if you, as an individual, [~~sell, market, promote, represent, service, or otherwise work in~~] have the capability to directly affect the outcome of a sports wagering or the capability of directly affecting a payout to a patron related to any sports wagering activities under employment or contract to a mid-level sports wagering vendor in our state or you supervise those who do.”

“(NEW) WAC 230-03-313 Applying for an ancillary sports wagering vendor [~~representative~~] employee license

You must apply for an ancillary sports wagering [~~representative~~] employee license if you as an individual [~~sell, market, promote, represent, service, or otherwise work in~~] have the capability to directly affect the outcome of a sports wagering or the capability of directly affecting a payout to a patron related to any sports wagering activities under employment or contract to an ancillary sports wagering vendor in our state or you supervise those who do.”

- *Issue 2 – Clarification to allow sports wagering vendor representatives/employees to work while license application is pending.*

The Proposed Rules include an update to WAC 230-03-335 which adds representatives of sports wagering vendors to the list of those individuals who may not work until they have received their license. We support the requirement to ensure employees are properly licensed in order to perform their duties. However, for sports wagering operations to get up and running expeditiously in order to be fully operational for the upcoming NFL season (which represents a disproportionate share of annual sports wagering handle and revenue in all other sports wagering jurisdictions), we suggest that the Commission provide a temporary exemption through the end of this year to allow for sports wagering employees to be allowed to work while their license applications are pending. To address this concern, we suggest the following amendment:

“WAC 230-03-335 Representatives must not work before receiving a license. If you are applying for a license as a representative or employee for a manufacturer, distributor, gambling services supplier, call centers for enhanced raffles, a sports wagering vendor, or linked bingo prize provider, you must not work until you receive a license from us. However, if you apply for a license as a representative of a sports wagering vendor prior to December 31, 2021, you may continue to perform the same duties you conducted prior to the effective date of this regulation during the pendency of your application for a license.”

- *Issue 3 – Accounting and recordkeeping requirements for sports wagering vendors.*

The Proposed Rules include three new rules (all numbered as WAC 230-17-xxx) related to accounting and recordkeeping requirements for sales by sports wagering vendors. These requirements are very detailed and appear to be drafted to ensure that vendors who are subject to state licensing fees based on volume of sales appropriately report their income in the state. However, it is our understanding of the draft rules that sports wagering vendors are intended to be subject to flat license fees based on the category of vendor, and not pay an additional license fee based on their volume of sales in the state. Since these detailed recordkeeping requirements are not necessary to support license fee assessment, and they appear to go beyond the requirements of other jurisdictions as it relates to sports wagering vendors, we suggest their removal as follows:

~~“(NEW) WAC 230-17-xxx Accounting records for sports wagering vendors
Sports wagering vendors must keep and maintain a complete set of records for their licensed activity and include, at a minimum:~~

~~(1) Double entry method of accounting updated at least once a month, including a monthly balance for each account; and~~

~~(2) Maintain their records in accordance with generally accepted accounting principles and ensure the records can be reconciled to the licensee's federal income tax return; and~~

~~(3) Maintain and keep for at least three years following the end of the fiscal year:~~

~~(a) Cash disbursements book (check register) — Sports wagering vendors must document all expenses, both sports wagering and non-sports wagering related, with invoices or other appropriate supporting documents. They must enter information monthly and include, at least:~~

- ~~(i) The date the check was issued or payment made;~~
- ~~(ii) The number of the check; and~~
- ~~(iii) The name of the payee; and~~
- ~~(iv) Type of expense; and~~

~~(b) Cash receipts — Sports wagering vendors must keep a record of cash sales and cash received from all sources. They must enter information for each payment received monthly and include, at least, the:~~

- ~~(i) Date; and~~
- ~~(ii) Name of the person paying; and~~
- ~~(iii) Amount; and~~

~~(c) General ledger — Sports wagering vendors whose sports wagering related sales are greater than five hundred thousand dollars per year must have a general ledger which contains, in addition to all other accounts by month, a separate sales account for each type of sale; and~~

~~(d) Bank reconciliation — Sports wagering vendors must reconcile their accounts each month. "Reconcile" means the sports wagering vendors must compare the two balances, resolve any differences, and document the comparison and the differences in writing; and~~

~~(e) Copies of all financial data — Sports wagering vendors must keep copies of all financial data that supports tax reports to governmental agencies;~~

~~(j) Maintain copies of all contracts related to sports wagering they enter into which fully disclose all terms.~~

~~(NEW) WAC 230-17-XXX Sales invoices for sports wagering vendors~~

~~Sports wagering vendors must document each sale of equipment or services, any return or refund, or any other type of transfer of sports wagering equipment, with a standard sales invoice.~~

~~Sales invoices and credit memos — These invoices and credit memos must:~~

- ~~(1) Be prenumbered sequentially at the time of purchase, using not less than four digits. Sports Wagering vendors may use computer~~

~~generated numbering systems if:~~

- ~~(a) The system numbers the invoices and credit memos sequentially; and~~
- ~~(b) The sports wagering vendors use the same system for all sales; and~~
- ~~(c) The sports wagering vendors must not use a manual override function; and~~

~~(2) Record:~~

- ~~(a) The date of sale. Sports wagering vendors must also enter the date of delivery if different from the date of sale; and~~
- ~~(b) The customer's name and complete business address; and~~
- ~~(c) A full description of each item sold, or service provided, and~~
- ~~(d) The quantity and price of each item, and~~
- ~~(e) The gross amount of each sale, including all discount terms and the total dollar amount of any discount.~~

~~(NEW) WAC 230-17-xxx Sales journals for sports wagering vendors~~

~~Sports wagering vendors must keep a monthly sales journal containing, at least:~~

- ~~(1) Each date of sale; and~~
- ~~(2) Each sale invoice number; and~~
- ~~(3) The name of the person paying; and~~
- ~~(4) Sales categorized by the sports wagering goods, equipment or services sold; and~~
- ~~(5) The total amount of each invoice.]”~~

- *Issue 4 – Prevention of prohibited participants*

The Proposed Rules include a new rule (WAC 230-17-xxx – Sports Wagering Integrity (3)) which requires licensees to “make all reasonable efforts to detect and prevent prohibited sports wagering participants from participating in sports wagering.” While we appreciate the Commission’s decision to utilize a “reasonable effort” standard for this regulation, we believe this should be clarified to be a “commercially reasonable” standard. Such a standard has been adopted by multiple other jurisdictions including Colorado (Rule 7.11(2)(b)); Indiana (68 IAC 27-12-2(2)); and Virginia (11 VAC 5-80-70(2)). To address this concern, we suggest the following amendment:

WAC 230-17-xxx Sports Wagering Integrity (3):

“(3) Licensees must ~~[make all]~~ **take commercially** reasonable efforts to detect and prevent prohibited sports wagering participants from participating in sports wagering.”

- *Issue 5 – Requirement for sports wagering vendors to be licensed before the “sale” of a sports wagering system.*

The Proposed Rules include a new rule (WAC 230-17-xxx – Sports Wagering System Requirements) which provides that sports wagering vendors must be licensed before the “sale” or delivery of a sports wagering system to be used in Washington. We support the requirement to ensure vendors are properly licensed in order to perform their duties. However, for sports wagering operations to get up and running expeditiously in order to be fully operational for the upcoming NFL season (which represents a disproportionate share of annual sports wagering handle and revenue in all other sports wagering jurisdictions), we suggest that the Commission provide a temporary exemption through the end of this year to allow for sports wagering vendors be allowed to complete sales while their license applications are pending. To address this concern, we suggest the following amendment.

WAC 230-17-xxx – Sports Wagering System Requirements:

“(1) Sports wagering vendors must be licensed before the sale or delivery of a sports wagering system(s) to be used in our state. **However, if you apply for a license as a sports wagering vendor prior to December 31, 2021, you may conduct sales during the pendency of your application for a license.**”

- *Issue 6 – Server location and cloud storage requirements*

The Proposed Rules include a new rule which has two concerning provisions related to the operation of the sports wagering system (WAC 230-17-xxx – Sports Wagering System Requirements (8) and (9)). The first concern relates to the requirement in subdivision (8) which provides that “the primary server for a sports wagering system must be in the state and located within a class III tribal gaming facility.” We acknowledge the requirement for the placement of a server in the state as it relates to the conduct of mobile sports wagering, however, we would seek to be able to locate the server in a secure data center outside of the gaming facility. The second concern relates to the requirement in subdivision (9) that any cloud storage facilities must be located in the state. While mobile sports wagers must be processed within the state, other states have recognized that vendors and operators who are engaged in sports wagering in multiple jurisdictions utilize cloud-based solutions for data and that those cloud facilities are not required to be located within the state. To address these concerns, we suggest the following amendments:

WAC 230-17-xxx – Sports Wagering System Requirements (8) and (9):

“(8) The primary server for a sports wagering system must be in the state and located within a **secure data center** [~~Class III tribal gaming facility~~].

(9) Cloud storage for sports wagering data and information may be used for duplicate or backup data. [~~Cloud storage facilities must be located in the state.~~]”

- *Issue 7 – Requirement for “in-person” registration and verification of sports wagering accounts.*

The Proposed Rules include a new rule (WAC 230-17-xxx – Sports Wagering Account Requirements) which provides that patrons must have their accounts “registered and verified in-person at a tribal gaming facility” prior to customers being able to access their accounts. While this requirement may not seem onerous due to the fact that mobile sports wagering is geofenced to the tribal gaming facility, it will create an unnecessary burden on customers who will be required to appear in person and then wait on line to be personally verified by an employee of the operator. Only two states in the U.S. require in-person identity verification in order to create a sports wagering account (Illinois and Nevada) both of whom have considered eliminating the requirement. Additionally, Iowa and Rhode Island no longer have their in-person identity verification requirements. States have recognized that modern Know Your Customer (KYC) and identity verification procedures allow for patron identity verification to be completed successfully remotely and have abandoned the antiquated policy of requiring in-person identity verification. To address this concern, we suggest the following amendment:

WAC 230-17-xxx Sports Wagering Account Requirements:

“... (3) A sports wagering account must be registered and verified **[in-person at a tribal gaming facility]** before the acceptance of any wager using that Sports Wagering Account.”

Part II – Secondary Concerns.

- *Issue 1 – Clarification that sports wagering vendors and sports wagering vendor representatives are not required to complete training.*

The Proposed Rules include an update to WAC 230-03-070(3) which adds “major sports wagering vendors” to the exception for required training that is already granted to “manufacturers” and “manufacturers’ representatives.” While we believe this change is warranted, we believe this exemption should be extended to all sports wagering vendors and all sports wagering vendor representatives in order to parallel the exemption for all manufacturers and all manufacturer representatives. To address this concern, we suggest the following amendment:

WAC 230-03-070(3):

“(3) We do not require manufacturers, ~~[or]~~ manufacturer’s representatives, ~~[or major]~~ **sports wagering vendors, or sports wagering vendor representatives** to complete training....”

- *Issue 2 – Clarification that “Minor League” does not include alternative professional leagues.*

The Proposed Rules include a new rule (WAC 230-17-005) which provides for the definitions of terms related to sports wagering. Included among the definitions is one for the term “Minor League” which appropriately defines “minor leagues.” However, a small clarification would be helpful to guard against any misinterpretation that may prevent wagering on a number of international sports teams, where an entire team may be promoted, or relegated, between

professional leagues based upon the performance of the entire team. As an example, English professional soccer leagues see this movement of an entire team without being classified as a “minor league” in the traditional sense that we may apply to single, double, or triple-A baseball teams for example. To address this concern, we suggest the following amendment:

WAC 230-17-005(6):

“(6) “Minor League” means a lower professional league or division within a sport, such as baseball or hockey, where a professional team has the exclusive contractual rights to promote and relegate players. **“Minor League” does not include professional leagues where entire teams of players may be promoted or relegated between leagues based upon the performance of the entire team.**”

- *Issue 3 – Requirement for “immediately” notify the Commission of violations and unusual or suspicious activity.*

The Proposed Rules include two new rules (WAC 230-17-xxx – Sports Wagering Integrity and WAC 230-17-xxx – Integrity Monitoring Provider Requirements) which include an “immediate” reporting standard for sports wagering vendors to reports suspected violations or regulations or statutes and unusual or suspicious wagering activity. Sports wagering vendors need to report this information in a timely manner to the Commission, however, creating an “immediate” reporting requirement does not allow the sports wagering vendor the flexibility to conduct an initial investigation which would provide the Commission with useful information in the report. Additionally, such initial investigation may resolve the underlying concern (especially in relation to unusual wagering activity) and prevent the overreporting of “false alarms.” This prompt reporting standard is similar to that required in Michigan (R432.743). To address this concern, we suggest the following amendments:

“(New) WAC 230-17-xxx Sports Wagering Integrity

(1) Sports wagering vendor and vendor representative licensees must **[immediately] promptly** notify us upon any discovery of a violation or of a suspected violation of RCW 9.46, this Chapter, or any violation of local, state, tribal, or federal ordinances, statutes, administrative rules or court orders.

...

(4) Licensees must **[immediately] promptly** notify us, in the format we require, when unusual wagering activity or suspicious wagering activity is identified, including changes with the status of, or information related to, a previously reported unusual or suspicious wagering activity.

(NEW) WAC 230-17-xxx Integrity Monitoring Provider Requirements

...

(3) Integrity Monitoring Providers must **[immediately] promptly** notify us when they identify unusual wagering activity or suspicious wagering activity.

(4) Integrity Monitoring Providers must [~~immediately~~] **promptly** notify us, and all other Integrity Monitoring Providers, sports wagering operators, and all other agencies or organizations as directed by us, on any previously reported unusual wagering activity it finds rises to the level of suspicious wagering activity.”

- ***Issue 4 – Requirement for responsible gaming “link” and deposit limits on sports wagering kiosks.***

The Proposed Rules include a new rule (WAC 230-17-xxx – Sports Wagering Systems (11)) which provides requirements related to responsible gaming resources within the sports wagering system and displayed on kiosks. We strongly support making responsible gaming resources, including wager and deposit limits available to sports wagering patrons. However, as written, this rule appears to impose a “one size fits all” requirement on both mobile sports wagering and retail sports wagering through the use of kiosks. The rule requires the display of a “link” to a sports wagering operator’s responsible gaming policies in the kiosk interface itself. Additionally, the rule requires kiosks to have solutions for patron wager and deposit limits. Sports wagering kiosks may or may not have the functionality to be linked to a patron’s sports wagering account and may be used by patrons who have not established a sports wagering account with the operator or patrons who do not wish to access their account on the kiosk. As such, the requirement to provide wager and deposit limits on the kiosk may not be appropriate in every situation. Additionally, the functionality of kiosks may not include sending a customer to an outside website containing the operator’s responsible gaming policies via a “link” and should be updated to allow operators to provide a URL where the patron can access the responsible gaming policies on their own device. To address these concerns, we suggest the following amendments:

WAC 230-17-xxx – Sports Wagering Systems (11):

“(11) sports wagering systems and sports wagering kiosks will, at a minimum, all for a display of commitment to responsible gaming and **URL or** link to the Class III tribal sports wagering operator’s responsible gaming policies. It will also have solutions for including, but not limited to: patron controlled wager and deposit limits (**if applicable**); and connecting players to problem gambling resources.”

- ***Issue 5 – Requirement to maintain reserve funds in federally regulated financial institutions who do business in Washington.***

The Proposed Rules include a new rule (WAC 230-17-xxx – Sports Wagering Account Requirements (5)) which requires licensees who maintain player account funds to hold them in a “federally regulated financial institution who does business in our state.” To provide greater flexibility to licensees, we suggest that player account funds should be allowed to be held at a state or federally regulated financial institution in the United States. To address this concern, we suggest the following amendment:

WAC 230-17-xxx – *Sports Wagering Account Requirements:*

“... (5) Licensees who maintain player account funds shall hold these funds at a federally or state regulated financial institution in the United States [~~who does business in our state~~].”

- *Issue 6 – clarification for use of single wallet across multiple products*

The Proposed Rules include a new rule (WAC 230-17-xxx – Sports Wagering Account Requirements (6)) which prohibits the transfer of funds held in a sports wagering account from one patron account to another patron account. We fully support the prohibition on transferring of funds from one patron to another. However, we would seek clarification to ensure that this provision is not interpreted to prevent the use of a unified account and wallet by patrons to access the funds while in a jurisdiction where sports betting or other products offered by the licensee are legal and the licensee is authorized to offer those products. To address this concern, we suggest the following amendment:

WAC 230-17-xxx – *Sports Wagering Account Requirements:*

“... (6) Player funds held in a sports wagering account shall not be allowed to be transferred from a patron account of one individual to another patron account of a different individual.”

Part III Requests for Clarification.

- *Issue 1 – License fees for sports wagering vendors.*

The Proposed Rules include an update to WAC 230-05-170 to provide for the license fees for sports wagering vendors. As included in the chart it appears that the proposed license fees for sports wagering vendors are: \$85,000 for major; \$10,000 for mid-level; and \$5,000 for ancillary with no additional license fee based upon Gross Gambling Receipts. Can the Commission confirm this reading of the Proposed Rules?

We appreciate your time and consideration of our comments and would be happy to discuss at your convenience.

Sincerely,



Cory Fox

Government Affairs and Product Counsel Vice President



VIA EMAIL

Brian Considine
Legal and Legislative Manager
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504

June 7, 2021

Re: Rush Street Interactive, L.P. – Comments to initial draft rules for sports wagering

Dear Mr. Considine:

On behalf of Rush Street Interactive, L.P. (“RSI”), we greatly appreciate the opportunity to provide comments to the Washington State Gambling Commission concerning the initial draft of proposed sports wagering rules.

Please accept our comments as follows:

WAC 230-05-120 Paying annual license fee.

We are seeking clarity that we can opt to make one payment annually for the annual license fee.

WAC 230-06-030 Restrictions and conditions for gambling promotions.

(9) We recommend adding a section to permit mobile sports wagering suppliers to offer promotional prizes based on chance, as they do in other jurisdictions. Our suggestion is: *(c) Licensed major sports wagering suppliers are authorized to give promotional prizes or items as part of a physical drawing, spinning a wheel, or selecting from a group of concealed items.*

(NEW) WAC 230-17-xxx Accounting records for sports wagering vendors

We are seeking clarification that while we need to maintain these records, we do not need submit them to WSGC. Should WSGC require any review of these records, we would ask for advance notice of such review and expectation.

(NEW) WAC 230-17-xxx Authorized Sports Wagering Menu

We believe that a statewide menu like this is always ideal. How will new event/sport approvals be handled? Will there be a licensee request process?



(New) WAC 230-17-xxx Sports Wagering Integrity

(6) In other jurisdictions, system access is provided to the regulators, not the integrity monitoring service. We recommend that WSGC take the same approach.

(NEW) WAC 230-17-xxx Sports Wagering System Requirements

(3) Recommend deleting “, approved,”. This is redundant with the requirement of certification.

(12) We seek clarification of the requirement to provide sports wagering system software to the WSGC that “must be identical or substantially similar to what is deployed in the state”. Please clarify that access to a non-production environment would be sufficient to comply with this requirement.

We would be pleased to discuss these comments or answer any questions you may have. I can be reached at: 312-915-2801 or lcx@rushstreetinteractive.com.

Sincerely,

Laura McAllister Cox

Laura McAllister Cox
Chief Compliance Officer

From: john@corridorcd.com
To: [Considine, Brian \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#)
Cc: ["Jonathan Michaels"](#)
Subject: Comment on WA State Sports Regulation
Date: Thursday, June 3, 2021 10:29:10 AM
Attachments: [image003.png](#)
[INDIANA APPROVED PAYMENT METHODS.docx](#)

External Email

Brian and Ashlie – Thank you for the opportunity to provide feedback on the proposed sports wagering regulations released by your office on May 27th. I am reaching out to you on behalf of Sightline Payments a premiere payments solution provider for the digital and land based gaming industries. CC'd on this email is Jonathan Michaels, SVP of Strategic Developments and Government Affairs at Sightline. His team's expertise is relied on by regulators throughout the U.S., and they work closely with many of the leading sportsbook operators. We hope you will consider Sightline a resource to the WSGC on all matters related to the payments ecosystem.

With respect to the proposed rules we are requesting that the regulation includes defined payment methods for sports bettors, along with regulator flexibility to approve innovative payment solutions as the market evolves. Currently, under *230-17-005 Sports Wagering Definitions* the draft rules define "Sports Wagering Account" as "an electronic account established by a patron for the purpose of sports wagering, including deposits, withdrawals, wagered amounts, payouts on winning wagers, or similar adjustments." We would recommend adding this language to define payment methods the would be acceptable.

A patron's sports wagering account for sports wagering may be funded through the use of:

- 1) a patron's credit or debit card;**
- 2) a patron's deposit of cash or vouchers at a cashiering location approved by the executive director or executive director's designee;**
- 3) a patron's reloadable prepaid card, which has been verified as being issued to the patron and is nontransferable;**
- 4) promotional credit;**
- 5) winnings;**
- 6) adjustments made by the sports wagering operator with documented notification to the patron;**
- 7) ACH transfer, provided that the operator has security measures and controls to prevent ACH fraud regarding failed ACH deposits;**
- 8) wire transfer; or**
- 9) any other means approved by the commission.**

This is regulatory language we have seen in other jurisdictions. Attached is a summary of Indiana's sports wagering rules on payments for you to see as a good example of what state regulators have approved within their rules and regulations.

If you have any questions about this comment, or would like to schedule a time to discuss further, we would be happy to connect. The team at Sightline are happy to be a resource to you!

Appreciate your willingness to get input from industry.

Regards,

John A. Pappas
c. 202-870-7777
www.corridordc.com



INDIANA APPROVED PAYMENT METHODS

Sports Wagering Accounts

"Sports wagering account" means an account established by a sports wagering operator for an individual patron to use for online sports wagering. 68 Ind. Admin. Code 20-448(E) ch. 1, § 22.

A patron sports wagering account required for credit or debit card wagering. A patron may only place a wager via credit or debit card, whether the patron places the wager at a sports wagering lounge, sports wagering kiosk, online, or by a mobile device, if the patron has a sports wagering account with the sports wagering operator. 68 Ind. Admin. Code 20-448(E) ch. 7, § 6.

A patron's sports wagering account for sports wagering may be funded through the use of:

- 1) a patron's credit or debit card;
- 2) a patron's deposit of cash or vouchers at a cashiering location approved by the executive director or executive director's designee;
- 3) a patron's reloadable prepaid card, which has been verified as being issued to the patron and is nontransferable;
- 4) promotional credit;
- 5) winnings;
- 6) adjustments made by the sports wagering operator with documented notification to the patron;
- 7) ACH transfer, provided that the operator has security measures and controls to prevent ACH fraud regarding failed ACH deposits;
- 8) wire transfer; or
- 9) any other means approved by the commission.



SPOKANE TRIBAL BUSINESS COUNCIL

PO Box 100, Wellpinit, WA 99040

June 22, 2021

Tina Griffin
Interim Director
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504

Dear Ms. Griffin:

On behalf of the Spokane Tribal Business Council, thank you for the opportunity to provide these comments on the draft sports wagering rules presented at the Washington State Gambling Commission's (WSGC) meeting on Thursday, June 10. For the reasons set forth herein, the Spokane Tribe is concerned that WSGC's draft rules improperly circumvent our co-regulatory relationship under the Indian Gaming Regulatory Act ("IGRA") and our gaming compact with the State of Washington.

As a preliminary matter, we are concerned that the draft rules were not made available to us in time to allow for a thoughtful review and discussion. Moving forward, we request timely notice of agency rulemaking that is directly related to STOI gaming activities.

As to the substance of the draft sports wagering rules, the Tribe has several concerns. Under IGRA, the co-regulatory relationship between the State of Washington and tribes is governed by the Class III gaming compacts. As fully recognized by section 2 of HB 2638, the operation of sports wagering on tribal lands is a feature of the compacts (which are negotiated between the State and tribes), not a feature of state rule (which is adopted as a unilateral action of the State). We appreciate this is the first time there has been legislation authorizing a tribal only activity, but that does not change the fact that IGRA—and therefore the compacts—are what govern the conduct and operation of the gaming activity.

While HB 2638 gave WSGC rulemaking authority over licensing (or more appropriately, certification), it did not give, nor would IGRA allow it to give, WSGC rulemaking authority over Tribal gaming activities *conducted on Spokane Indian lands*. Accordingly, I respectfully request that draft rule section 230-17 be removed in its entirety. That section is largely a restatement of what is already in compact, and that is where it should stay.

We acknowledge that HB 2638 authorizes WSGC to track and monitor certain transactions, require certain reports, and the like. However, those issues were discussed at the compact negotiation table, and we are frustrated that WSGC is taking a second bite at the apple by requiring certain reports and

documents *by rule* that the WSGC had already agreed would be handled *by compact* and internal controls. Any concern for WSGC to take action against our vendors for their failure to follow our compacts can be better addressed by including a catchall provision in the rules that says that. That is far more effective, efficient, and appropriate than restating tribal compacts in WSGC rules.

Next, we join the torrent of tribes and vendors who object to the proposed licensing fee structure. Sports wagering will be a minor financial addition to the Tribe's Class III gaming offerings. However, the proposed fee for major vendors is more than three times what TLS vendors currently pay. Excessive vendor certification fees lead to one of two outcomes: (1) the fee is passed on to the tribes (a de facto illegal tax on Class III tribal gaming revenues), or (2) the fee is not passed on to the tribes, and - as some vendors have already pointed out - vendors are dissuaded from participating in the Washington market at all. This is especially true here, for an on-premises only game, and even truer at smaller properties. Instead, WSGC should approach sports wagering vendors the same way the agency has approached other gaming vendors in the past: a more appropriate fee combined with special investigative fees as needed to address unique costs of investigating certain vendors.

Finally, we join in the Suquamish Tribe's comments to the draft rules, and we concur with the comments submitted by the Washington Indian Gaming Association.

Respectfully,



Carol Evans
Chairwoman

Cc: Brian Considine, Legal and Legislative Manager
Ashlie Laydon, Rules Coordinator

From: [John Pauley](#)
To: [Considine, Brian \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#)
Cc: [Brandt Iden](#); [Daniel Lobo Guerrero](#); [Niki Metzgar-Schall](#)
Subject: Re: Sports Wagering Draft Rules for Comment
Date: Monday, June 7, 2021 2:21:12 PM
Attachments: [image002.png](#)
[image004.png](#)
[Supplier License - Model Language \(stakeholder approved\).pdf](#)

External Email

Hi Brian,

Our team at Sportradar thanks you for all your efforts as you continue the monumental task of launching sports betting in Washington. Although we did not have any edits or suggestions to submit by this morning, we have some clarifying questions that would likely apply to all vendors, especially mid-level sports wagering vendor licensees.

Our clarifying questions mainly focus on the quarterly license reports and fees, specifically:

- Will mid-level vendors be able to submit one comprehensive quarterly report/fee that covers total gross gaming revenue derived from services supplied to all WA bookmaking customers? Or will mid-level vendors need to submit individual quarterly reports/fees for each bookmaking customer we supply to in WA?
- Does the calculation of quarterly reports/fees apply to both fixed-fee and revenue-sharing agreements that mid-level vendors execute? If fixed-fee agreements also apply, will there be any changes in how to calculate total quarterly fees owed?

Lastly, we are hoping to clarify which data suppliers are captured under the mid-level vendor license. There are two main ways to supply data into a market, either **(1) the direct route**: supplying to B2Cs such as DraftKings or FanDuel, or **(2) the indirect route**: supplying to B2B platforms such as Kambi, IGT, or SciGames. While we believe both supply chain routes should be captured and require a mid-level vendor license, we have noticed some jurisdictions exempting the latter option completely in certain cases. Since data is the critical component that powers the entire betting operation, we raise this concern as a matter of licensure equity amongst existing and future data suppliers.

As a resource for you, I've attached our model supplier language that addresses both supply chain routes (found under the definition of a *sports betting supplier*). Although this model language is more for statutory purposes, we welcome the opportunity to walk you through these licensure equity concerns and how the WSGC can ensure all entities involved in the data supply chain are captured and licensed accordingly.

Again, we appreciate your efforts and transparency throughout this entire process. Our team remains open to further dialogue at your convenience.

Kind regards,
John

John Pauley

Government Affairs Manager

SPORTRADAR GROUP

mobile: +1 (636) 541-4431

e-mail: j.pauley@sportradar.com

www.sportradar.com

From: Considine, Brian (GMB) <brian.considine@wsgc.wa.gov>

Sent: Thursday, May 27, 2021 3:22 PM

Cc: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>; Becker, Suzanne (ATG) <suzanne.becker@atg.wa.gov>; Sizemore, Bud (GMB) <bud.sizemore@wsgc.wa.gov>; Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>; James, Sharon M. (ATG) <sharon.james@atg.wa.gov>; Lies, Julie (GMB) <julie.lies@wsgc.wa.gov>

Subject: Sports Wagering Draft Rules for Comment

CAUTION:This email originates from outside of your organization. This message might not be safe, use caution opening it. If you find this e-mail suspicious, do not open attachments nor links and forward the mail to securityreport.

Hello,

You are receiving this email because the Washington State Gambling Commission (WSGC) has identified you and/or your organization as a stakeholder for our sports wagering rule-making.

Please find the attached draft proposed sports wagering rules. These are initial draft rules by Commission staff and we are still having these reviewed by our attorneys and agency leadership before we send them to our Commissioners at our June 10, 2021 public meeting. Therefore, we could have additional internal changes prior to the meeting.

However, we seek your input at this time and please provide any questions, comments or suggested edits to me (Brian.considine@wsgc.wa.gov) and our Rules Coordinator Ashlie Laydon (Ashlie.laydon@wsgc.wa.gov) **by Monday, June 7, 2021 at 8am pacific time.**

WSGC staff will review any comments, questions, or suggested edits, if submitted by the above-referenced deadline, for our June 10th public meeting. However, you are allowed and encouraged to comments during the entirety of this rule-making process, as needed. All written comments will become part of the official agency rule-making file.

Additionally, you are welcome to attend the agency's [June 10, 2021](#) public meeting and provide public comment during this public meeting. Please monitor our [public meeting webpage](#) as the call-in information and agenda will be posted about one week before our meeting.

Lastly, Commission Staff will recommend that the Commissioners hold a special meeting on or around July 28, 2021 for the Commissioners to review and approve final sports wagering rules to go into effect on or around August 30, 2021.

Please contact me if you have any questions about this process.

Sincerely,

Brian

Brian J. Considine
Legal and Legislative Manager
Washington State Gambling Commission
(360) 486-3469 (office)
(360) 485-8921 (mobile)
Brian.considine@wsgc.wa.gov



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Definitions

"Sports betting supplier" means a person that provides services, goods, software, or other components necessary for the creation of betting markets and determining bet outcomes, directly or indirectly to any license holder or applicant involved in the acceptance of bets. Examples include, but are not limited to providers of data feeds and odds services, internet platform providers, risk management providers, integrity monitoring providers, and other providers of sports betting supplier services as determined by the [regulator]. A sports governing body that provides raw statistical match data to one or more designated and licensed providers of data and odds services shall not be a sports betting supplier.

"Sports betting supplier license" means a license issued by the [regulator] to a sports betting supplier.

Sec. X Sports Betting Supplier License

(1) The [regulator] may issue a sports betting supplier license to a sports betting supplier. A person that is not licensed under this section shall not sell, lease, distribute, offer, or otherwise provide services, goods, software, or other components necessary for the creation of betting markets and determining bet outcomes, directly or indirectly to any license holder or applicant involved in the acceptance of bets, except that an interactive sports wagering operator shall not be required to obtain a separate sports betting supplier license in order to act as a sports betting supplier. A supplier must be licensed under this section if providing supplier services under a fixed-fee or revenue-sharing agreement.

(2) On application by an interested person, the [regulator] may issue a provisional sports betting supplier license to an applicant for a sports betting supplier license. A provisional license issued under this subsection allows the applicant for the sports betting supplier license to conduct business regarding the operation of sports betting with a license holder or applicant before the sports betting supplier license is issued. A provisional license issued under this subsection expires on the date provided by the [regulator].

(3) A person may apply to the [regulator] for a sports betting supplier license as provided in this act and the rules promulgated under this act.

(4) Except as otherwise provided in this section, an application under this section must be made on forms provided by the [regulator] and include the information required by the [regulator].

(5) The [regulator] shall require applicants to disclose the identity of (a) the applicant's principal owners who directly own five percent or more of the applicant; (b) each holding, intermediary or parent company that directly owns fifteen percent or more of the applicant; and (c) the applicant's board appointed CEO and CFO. The [regulator] shall have the authority to waive any or all qualification requirements for any person or entity in this subsection.

(6) Legislatively created entities such as sovereign entities, government entities, government agencies, pension investment boards, and public corporations, that are direct or indirect shareholders of the applicant, shall be waived from any information disclosure requests in connection to the license application as determined by the [regulator].

(7) Investment funds or entities registered with the Securities and Exchange Commission, whether as Investment Advisors or otherwise, as well as the entities under the management of such entities registered with the Securities and Exchange Commission, that are direct or indirect shareholders of the applicant, shall be waived from any information disclosure requests in connection to the license application as determined by the [regulator].

(8) In no scenario shall a person holding a sports betting supplier license or a temporary sports betting supplier license be subject to, or required to obtain, any additional license to offer the services under this section.

From: [Rion Ramirez](#)
To: [Considine, Brian \(GMB\)](#); [Laydon, Ashlie \(GMB\)](#)
Cc: [Griffin, Tina \(GMB\)](#); [Becker, Suzanne \(ATG\)](#); [Sizemore, Bud \(GMB\)](#); [James, Sharon M. \(ATG\)](#); [Lies, Julie \(GMB\)](#); [Tim Woolsey \(twoolsey@suquamish.nsn.us\)](#); [Devon Tiam](#); [Masse, Chris](#); [Jones, Brie Coyle](#); [Ramirez, Rion](#)
Subject: RE: Sports Wagering Draft Rules for Comment
Date: Monday, June 7, 2021 10:06:36 AM
Attachments: [image007.png](#)
[image008.png](#)
[image009.png](#)
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[image012.png](#)
[image013.png](#)
[image014.png](#)
[image016.png](#)
[image018.png](#)
[DRAFT-Rules-Stakeholder.docx](#)

External Email

Dear Brian and Ashlie:

On behalf of the Suquamish Tribe, I write today to offer comments to the proposed draft sports wagering rules in advance of the upcoming Washington State Gambling Commission (“WSGC”) meeting. Attached is a redline of our recommended revisions, but I did want to highlight a few themes of concern that we had after reviewing the proposed draft.

First, the draft rules—and in particular, 230-17, Proposed Sports Wagering Rules—misunderstand the role (or lack thereof) of state regulations in the larger context of the Indian Gaming Regulatory Act (“IGRA”) and the tribes’ relationship with the state. State adopted rules cannot govern *tribal gaming activities*; rather, the co-regulatory relationship between the state and tribes is governed by the Class III gaming compacts, and supplemented by tribal ordinances and other tribal regulations. *See* 25 U.S.C. § 2710(d). The only appropriate purpose of state gaming regulations rules would be the certification of *tribal gaming vendors*.

This distinction is recognized by HB 2638, which as you know, authorized tribes to engage in sports wagering on Indian lands pursuant to their gaming compacts. Consistent with IGRA, the bill directed that the Commission’s five pillars (licensing; fees associated with the gambling commission's regulation of sports wagering; how sports wagering will be conducted, operated, and regulated; issues related to criminal enforcement, including money laundering, sport integrity, and information sharing between the commission and the tribe related to such enforcement; and responsible and problem gambling) be included *in those compacts*. The bill also confirmed that the Commission had authority to engage in rulemaking to issue licenses to sports wagering vendors. HB 2638 does not give the WSGC rulemaking authority over the activity of sports wagering on Indian lands. It gives the WSGC the authority to determine whether someone is qualified to be a vendor for sports wagering.

We acknowledge that section 7(6) of the bill gives the WSGC the authority to track and monitor gambling-related sports wagering transactions; however this authority is tied to WSGC’s enforcement of criminal laws related to suspicious or illegal wagering activities. Some of the obligations these draft rules purport to put on all vendors—not just those with access to integrity-related data—and the data WSGC is requesting goes beyond that purview

and would impose obligations on our vendors that are not market standard. Further, the proposed rules conflate licensees with operators. *See e.g.*, New WAC 230-17-xxx Sports Wagering Integrity at p. 9 (“Licensees must make all reasonable efforts to detect and prevent prohibited sports wagering participants from participating in sports wagering.”). Licensees will not be stopping people from betting. We, the tribal operators, will. And we are not licensees; instead, our relationship is governed by the compacts.

Not only does the approach in the draft rules conflict with IGRA, but it ignores the extensive negotiations and compromise we have engaged in to reach tentative agreement on our compact. For the last year, we have engaged in negotiations to ensure that the gaming compact covers all five pillars noted above in a way that works for the state and the tribes. We were therefore both surprised and disappointed to see much of what we already covered in the compacts reflected—unnecessarily, inappropriately, and in some cases, inconsistently—in the draft rules. For example, we agreed to deal with information sharing matters in our internal controls; yet these draft rules force our vendors to provide WSGC information that WSGC requests, irrespective of whether the data is even theirs or whether WSGC’s request comports with the parameters established in the compact or the internal controls. The result is an end-run around our compact negotiations and collaborative process. The compact and our internal controls are a negotiated set of documents; WSGC’s regulations are completely in WSGC’s purview.

Lastly, I would be remiss if I did not point out our concerns with the amounts of the proposed license fees. As you know, sports wagering here in Washington will be on an extremely limited, on-premises only basis. This means that, especially for the smaller properties, sports wagering will not be a particularly lucrative game. To charge our vendors more than three times the current highest vendor fee in the state is wholly out of line with the value of the activity. Moreover, a vendor’s supply chain could include multiple participants at the major, mid, and ancillary levels. If licensing is cost prohibitive, reputable vendors will take a pass on Washington. Please consider addressing these vendors like the other tribal licensees that WSGC certifies, where they pay an annual amount, plus any special investigative fees WSGC incurs. That way, WSGC can be sure that its costs, especially when higher in that first year, are covered, while at the same time making clear that these fees do not indicate the WSGC’s entry into improper tribal tax territory.



We may have additional comments depending on the final draft you consider on Thursday, but I wanted to provide you these preliminary comments ahead of the June WSGC meeting.

Thank you,

Rion Ramirez
Chief Executive Officer



15347 Suquamish Way NE
Suquamish, WA 98392

 **360-598-8711**
 **360-710-0733**



From: Considine, Brian (GMB) <brian.considine@wsgc.wa.gov>

Sent: Thursday, May 27, 2021 12:22 PM

Cc: Griffin, Tina (GMB) <tina.griffin@wsgc.wa.gov>; Becker, Suzanne (ATG) <suzanne.becker@atg.wa.gov>; Sizemore, Bud (GMB) <bud.sizemore@wsgc.wa.gov>; Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>; James, Sharon M. (ATG) <sharon.james@atg.wa.gov>; Lies, Julie (GMB) <julie.lies@wsgc.wa.gov>

Subject: Sports Wagering Draft Rules for Comment

Importance: High

***** This is from an external sender *****

Hello,

You are receiving this email because the Washington State Gambling Commission (WSGC) has identified you and/or your organization as a stakeholder for our sports wagering rule-making.

Please find the attached draft proposed sports wagering rules. These are initial draft rules by Commission staff and we are still having these reviewed by our attorneys and agency leadership before we send them to our Commissioners at our June 10, 2021 public meeting. Therefore, we could have additional internal changes prior to the meeting.

However, we seek your input at this time and please provide any questions, comments or suggested edits to me (Brian.considine@wsgc.wa.gov) and our Rules Coordinator Ashlie Laydon (Ashlie.laydon@wsgc.wa.gov) **by Monday, June 7, 2021 at 8am pacific time.**

WSGC staff will review any comments, questions, or suggested edits, if submitted by the above-referenced deadline, for our June 10th public meeting. However, you are allowed and encouraged to comments during the entirety of this rule-making process, as needed. All written comments will become part of the official agency rule-making file.

Additionally, you are welcome to attend the agency's [June 10, 2021](#) public meeting and provide public comment during this public meeting. Please monitor our [public meeting webpage](#) as the call-in information and agenda will be posted about one week before our meeting.

Lastly, Commission Staff will recommend that the Commissioners hold a special meeting on or around July 28, 2021 for the Commissioners to review and approve final sports wagering rules to go into effect on or around August 30, 2021.

Please contact me if you have any questions about this process.

Sincerely,

Brian

Brian J. Considine
Legal and Legislative Manager
Washington State Gambling Commission
(360) 486-3469 (office)
(360) 485-8921 (mobile)
Brian.considine@wsgc.wa.gov



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**Proposed WSGC Sports Wagering
DRAFT Rule Changes
(5/28/2021)**

Proposed changes to existing rules are noted in WAC 230-03; WAC 230-05; and WAC 230-06 and WAC 230-17. New rule sections are identified as "(NEW)." Otherwise, changes are amendments to rules that already exist.

Current rules in WAC 230-17 will be moved to a new sub-chapter and this sub-chapter will contain new sports wagering rules.

The tradeshow rule currently found in WAC 230-16, manufacturers and distributors, is moved to WAC 230-06 to allow for it to include sports wagering vendors.

WAC 230-03 Proposed Rule Changes

WAC 230-03-035 Applying for a license. (1) You must fully complete the license application form we provide in order to be considered for a license. You must submit it with the appropriate fees online in the manner we require, or return it, along with the appropriate fees, to our headquarters.

(2) If your application is incomplete, you must provide us with the required items within thirty days of notification or we may administratively close the application.

(3) Applicants for a new organization license or permit will submit the base license fee for each authorized activity they are applying for with their application.

(4) Applicants for a new individual license will submit the new application fee they are applying for with their application.

[Statutory Authority: RCW 9.46.070. WSR 18-05-026, § 230-03-035, filed 2/9/18, effective 5/1/18; WSR 06-07-157 (Order 457), § 230-03-035, filed 3/22/06, effective 1/1/08.]

WAC 230-03-040 Signing the application. The applicant signs the application under oath and under penalty of perjury under the laws of the state of Washington. This oath affirms

WAC 230-03 Proposed Rule Changes

that the information on the application and any accompanying materials is accurate and complete.

(1) The person signing the application must be:

(a) The highest ranking officer, or their designee, of a charitable, nonprofit, or profit-seeking corporation, or limited liability company seeking licensure; or

(b) The owner of a sole proprietorship seeking licensure;
or

(c) All partners of a partnership or general partner of a limited partnership seeking licensure.

(2) The person seeking an individual license and a designated officer of the organization for which the person will work must both sign the application.

[Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-03-040, filed 10/22/07, effective 1/1/08; WSR 06-07-157 (Order 457), § 230-03-040, filed 3/22/06, effective 1/1/08.]

WAC 230-03-045 Defining substantial interest holder. (1)

"Substantial interest holder" means a person who has actual or potential influence over the management or operation of any organization, association, or other business entity.

WAC 230-03 Proposed Rule Changes

(2) Evidence of substantial interest may include, but is not limited to:

(a) Directly or indirectly owning, operating, managing, or controlling an entity or any part of an entity; or

(b) Directly or indirectly profiting from an entity or assuming liability for debts or expenditures of the entity; or

(c) Being an officer or director or managing member of an entity; or

(d) Owning ten percent or more of any class of stock in a privately or closely held corporation; or

(e) Owning five percent or more of any class of stock in a publicly traded corporation; or

(f) Owning ten percent or more of the membership shares/units in a privately or closely held limited liability company; or

(g) Owning five percent or more of the membership shares/units in a publicly traded limited liability company; or

(h) Providing ten percent or more of cash, goods, or services for the start up of operations or the continuing operation of the business during any calendar year or fiscal

WAC 230-03 Proposed Rule Changes

year. To calculate ten percent of cash, goods, or services, take the operational expenses of the business over the past calendar or fiscal year, less depreciation and amortization expenses, and multiply that number by ten percent; or

(i) Receiving, directly or indirectly, a salary, commission, royalties, or other form of compensation based on the gambling receipts.

(3) Spouses of officers of charitable or nonprofit organizations and spouses of officers or board members of publicly traded entities or subsidiaries of publicly traded entities are not considered substantial interest holders, unless there is evidence to the contrary. If so, then an investigation will be conducted to determine if they qualify as a substantial interest holder.

~~(4) Spouses of officers, owners, or shareholders owning ten percent or more of the organization's shares of a sports wagering organization are not considered substantial interest holders, unless there is evidence to the contrary. If so, then an investigation will be conducted to determine if they qualify as a substantial interest holder.~~

Commented [A1]: Section 6.4 of Appendix S precludes licensing spouses of Principals.

WAC 230-03 Proposed Rule Changes

[Statutory Authority: RCW 9.46.070. WSR 13-09-048 (Order 687), § 230-03-045, filed 4/15/13, effective 5/16/13; WSR 06-07-157 (Order 457), § 230-03-045, filed 3/22/06, effective 1/1/08.]

WAC 230-03-060 Fingerprinting. (1) The following persons must submit fingerprints and undergo a national criminal history background check:

(a) Substantial interest holders of commercial businesses and charitable or nonprofit organizations who live or have lived out of the state in the last ten years; and

(b) Card room employees, commercial and nonprofit gambling managers, and manufacturer, distributor, service supplier, call centers for enhanced raffles, ~~and~~ linked bingo prize provider, and sports wagering vendor representatives; and

(c) Any other substantial interest holder when we have information they may not be qualified for licensure or to participate in a gambling activity.

(2) Recreational gaming activity and agricultural fair permit holders do not need to submit fingerprints.

[Statutory Authority: RCW 9.46.070. WSR 18-05-026, § 230-03-060, filed 2/9/18, effective 5/1/18. Statutory Authority: RCW

WAC 230-03 Proposed Rule Changes

9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-03-060, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070(7). WSR 13-17-018 (Order 690), § 230-03-060, filed 8/9/13, effective 9/9/13. Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-060, filed 3/22/06, effective 1/1/08.]

WAC 230-03-065 Spouses must also be qualified. (1)

Applicants' spouses must also meet the qualifications to hold a gambling license when married persons who maintain a marital community apply for or hold a license to operate gambling activities. This includes, but is not limited to, owners and substantial interest holders of commercial gambling establishments.

(2) If you are a licensed employee of a gambling operation, officer of a charitable or nonprofit organization, or an officer or a board member of a publicly traded entity or subsidiary of a publicly traded entity, your spouse does not need to meet the licensing qualifications, unless they are deemed to be a substantial interest holder.

WAC 230-03 Proposed Rule Changes

(3) Spouses of owners and substantial interest holders of a sports wagering organization are not considered substantial interest holders, unless there is evidence to the contrary.

Commented [A2]: Section 6.4 of Appendix S precludes licensing spouses of Principals.

[Statutory Authority: RCW 9.46.070. WSR 13-09-048 (Order 687), § 230-03-065, filed 4/15/13, effective 5/16/13; WSR 06-07-157 (Order 457), § 230-03-065, filed 3/22/06, effective 1/1/08.]

WAC 230-03-070 Training required for licensing. (1) You

must complete a training course we establish if you:

- (a) Signed the licensing application; or
- (b) Are a manager; or
- (c) Are responsible for conducting gambling activities or

completing records.

(2) You must complete training within thirty days of the effective date of your license.

(3) We do not require manufacturers, ~~or~~ manufacturers' representatives, or major sports wagering vendors to complete training. However, all licensees are expected to know and follow all rules upon receiving your license.

WAC 230-03 Proposed Rule Changes

[Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-070, filed 3/22/06, effective 1/1/08.]

WAC 230-03-075 Withdrawing your application. (1) You may withdraw your license application for any reason by sending written or electronic mail notice to us. We must receive your written request at our headquarters office before we issue or deny the license.

(2) Withdrawing an application will not affect any future application for a license.

[Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-075, filed 3/22/06, effective 1/1/08.]

WAC 230-03-195 Additional information required from manufacturer, distributor and sports wagering vendor license applicants. If you are applying for a manufacturer, ~~or~~ distributor, or a sports wagering vendor license, you must attach the following to your application form or submit the following in the manner we require:

(1) A list of all businesses or corporations which you, or officers, directors, or substantial interest holders of your

WAC 230-03 Proposed Rule Changes

business, either directly or indirectly, own or control as a substantial interest holder; and

(2) A list of all businesses or corporations licensed to conduct gambling activities or to supply gambling-related equipment, supplies, or services in which you, officers, directors, or substantial interest holders of your business have any interest; and

(3) A list of all jurisdictions in which you or any of the officers, directors, or substantial interest holders of your business have had a gambling-related license at any level during the previous ten years; and

(4) A statement about whether you, or officers, directors, or substantial interest holders have ever been part of a business that had a gambling-related license denied, revoked, or suspended by any jurisdiction for a period longer than thirty days.

[Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-195, filed 3/22/06, effective 1/1/08.]

WAC 230-03 Proposed Rule Changes

(NEW) WAC 230-03-xxx Additional information required for sports wagering vendors.

Sports wagering vendor applicants must provide contracts and agreements, ~~or proposed contracts or agreements,~~ with any ~~third parties~~ other vendors that are part of their sport wagering offerings in the state ~~and relate to the applicant's or a third party~~ the vendor's sports wagering equipment, goods, services, and information for review for compliance with Title 230 WAC and chapter 9.46 RCW. ~~Contracts or agreements to be provided for review will relate to the applicant's or a third party vendor's sports wagering equipment, goods, services, and information.~~ Provided, however, that nothing in this rule requires a sports wagering vendor to provide its contracts or agreements with a federally recognized Indian tribe.]

WAC 230-03-200 **Defining "gambling equipment."** "Gambling

equipment" means any device, gambling-related software, expendable supply, or any other paraphernalia used as a part of gambling or to make gambling possible. "Gambling equipment" includes, but is not limited to:

- (1) Amusement games;
- (2) Punch boards and pull-tabs;

Commented [A3]: Our strong preference is that this draft rule is deleted in its entirety, but at the very least this rule must exclude the tribe's agreements with sports wagering vendors.

Commented [A4]: Including sports wagering equipment in this definition results in a SW equipment provider needing two separate licenses: (1) major sports wagering vendor, and (2) manufacturer under 230-03-025 or distributor under 230-03-190. It is unduly burdensome to require two licenses for providing the same piece of sports wagering equipment, particularly for vendors providing mere components of a sports wagering system.

WAC 230-03 Proposed Rule Changes

(3) Devices for dispensing pull-tabs;

(4) Electronic devices for conducting, facilitating, or accounting for the results of gambling activities, including, but not limited to:

(a) Components of a tribal lottery system;

(b) Components of a sports wagering system;

(c) Electronic devices for reading and displaying outcomes of gambling activities; and

(~~d~~e) Accounting systems that are a part of, or directly connected to, a gambling system including, but not limited to:

(i) Bet totalizers; or

(ii) Progressive jackpot meters; or

(iii) Keno systems;

(5) Bingo equipment;

(6) Devices and supplies used to conduct card games, fund-raising events, recreational gaming activities, or Class III gaming activities, as defined in the Indian Gaming Regulatory Act at U.S.C. 25 chapter 29 § 2703 and in tribal-state compacts including, but not limited to:

(a) Gambling chips;

(b) Cards;

WAC 230-03 Proposed Rule Changes

- (c) Dice;
- (d) Card shuffling devices;
- (e) Graphical game layouts for table games;
- (f) Ace finders or no-peek devices;
- (g) Roulette wheels;
- (h) Keno equipment; ~~and~~
- (i) Tables manufactured exclusively for gambling purposes;;
and
(j) Sports wagering systems.

[Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-200, filed 3/22/06, effective 1/1/08.]

WAC 230-03-~~226230~~ Applying for linked bingo prize provider license.

(1) You must apply for a linked bingo prize provider license if you provide bingo operators the means to link bingo prizes, including:

- (a) Equipment and supplies to offer linked bingo; and
- (b) Linked bingo prize management; and

WAC 230-03 Proposed Rule Changes

(c) Distribution of necessary gambling equipment and supplies.

(2) Distributors must receive a linked bingo prize provider license before providing gambling equipment and supplies to play linked bingo games.

[Statutory Authority: RCW [9.46.070](#). WSR 06-07-157 (Order 457), § 230-03-230, filed 3/22/06, effective 1/1/08.]

WAC 230-03-~~227232~~ Applying for an enhanced raffle call center license.

(1) You must apply for an enhanced raffle call center license if you receive authorized enhanced raffle ticket sales.

(2) The licensing process may include an on-site review of your call center process to ensure compliance with applicable gambling laws and rules, and your qualifications for licensure.

[Statutory Authority: RCW [9.46.070](#) and [9.46.0209](#). WSR 13-19-056 (Order 692), § 230-03-232, filed 9/16/13, effective 10/17/13.]

WAC 230-03 Proposed Rule Changes

(NEW) WAC 230-03-230 Applying for a major sports wagering

vendor license

You must apply for a major sports wagering vendor license if you provide integral sports wagering goods or services in our state.

This includes:

(1) Managing a Tribe's or Tribes' sports wagering operations;

(2) Being a Tribe's or Tribes' primary consultant who provides substantial sports wagering related services;

(3) Being a manufacturer or distributor of a sports wagering system(s);

(4) Providing bookmaking services; or

(5) Providing sports wagering risk management services.

(NEW) WAC 230-03-231 Applying for a mid-level sports wagering

vendor license

You must apply for a mid-level sports wagering vendor license if you provide services or equipment directly related to ~~data,~~ security, and integrity. ~~This~~ includes, ~~but not limited to:~~

(1) Integrity monitoring;

Commented [A5]: Revised to align with Section 6.2.2 of Appendix S

WAC 230-03 Proposed Rule Changes

~~(2) Data to be used by a Tribe(s), or a sports wagering vendor, including data to set odds;~~

~~(3) (2) The compilation, furnishing, or storage of data for use~~

~~in sports wagering;~~

~~(4) (3) Initial or annual sports wagering system security testing~~

~~or assessment;~~

~~(5) (4) Geofence and geolocation compliance and monitoring; and~~

~~(6) (5) Sports wagering account management, including Software-~~

~~as-a-Service (SaaS) products.~~

(NEW) WAC 230-03-232 Applying for an ancillary sports wagering vendor license

You must apply for an ancillary sports wagering vendor license if you provide necessary sports wagering support services. ~~that~~

~~This includes, but not limited to:~~

(1) Mobile payment processing for use in a Mobile Sports Wagering;

(2) Know your customer or identity verification for use in Mobile Sports Wagering; and

WAC 230-03 Proposed Rule Changes

(3) Marketing or promotional affiliates for a sports wagering vendor or tribal sports wagering operator where the contractual financial arrangement is based on a percentage of an operator's sports wagering revenue.

(NEW) WAC 230-03-xxx Sports wagering vendor applicants and associated entities in their corporate structure.

You must apply for a sports wagering vendor license if you enter into agreements or contracts to provide sports wagering gaming goods or services to operators or other sports wagering vendors for sports wagering goods or services in Washington. Any associated organizations linked to the sports wagering applicant in their corporate structure, who provides sports wagering goods or services to the applicant, must comply with our rules. The applicant will have ultimate responsibility for any goods or services provided by another legal entity associated to the applicant. This only includes organizations in applicant's corporate ownership structure.

WAC 230-03 Proposed Rule Changes

**(NEW) WAC 230-03-311 Applying for a major sports wagering vendor
representative license**

You must apply for a major sports wagering representative license
if you, as an individual, sell, market, promote, represent,
service, or otherwise work in any sports wagering activities under
employment or contract to a major sports wagering vendor in our
state or you supervise those who do.

**(NEW) WAC 230-03-312 Applying for a mid-level sports wagering
vendor representative license**

You must apply for a mid-level sports wagering representative
license if you, as an individual, sell, market, promote, represent,
service, or otherwise work in any sports wagering activities under
employment or contract to a mid-level sports wagering vendor in
our state or you supervise those who do.

**(NEW) WAC 230-03-313 Applying for an ancillary sports wagering
vendor representative license**

WAC 230-03 Proposed Rule Changes

You must apply for an ancillary sports wagering representative license if you as an individual sell, market, promote, represent, service, or otherwise work in any sports wagering activities under employment or contract to an ancillary sports wagering vendor in our state or you supervise those who do.

WAC 230-03-320 Substantial interest holders not required to be licensed as representatives.

(1) If you are a substantial interest holder in a business licensed to operate a manufacturer, distributor, gambling service supplier, call centers for enhanced raffles, or linked bingo prize provider or a spouse of the same, you do not have to have an additional license to perform representative duties connected with that licensed business.

(2) If you are a substantial interest holder in a business licensed as a sports wagering vendor, or a spouse of the same, you do not need to have an additional sports wagering vendor representative license to perform representative duties connected with that licensed business.

WAC 230-03 Proposed Rule Changes

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-03-320, filed 9/16/13, effective 10/17/13.

Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-320, filed 3/22/06, effective 1/1/08.]

WAC 230-03-330 Representing one or more licensed

businesses. (1) If you are a licensed distributor representative, gambling service supplier representative, or a linked bingo prize provider representative or applying for one of these representative licenses, you must represent only one licensed distributor, gambling service supplier, or linked bingo prize provider at a time.

(2) If you are a licensed manufacturer or representative, you may represent more than one licensed manufacturer.

(3) Sports wagering vendor representatives may represent more than one licensed sports wagering vendor so long as their representation would not create a conflict that would undermine the integrity of sports wagering or a sport event.

~~(4)~~ (4) If the owner you represent owns more than one licensed business, you may represent the owner in all those licensed businesses, including licensed manufacturers.

WAC 230-03 Proposed Rule Changes

(54) You must submit an application and pay a fee before beginning work at a new or additional employer.

[Statutory Authority: RCW 9.46.070. WSR 18-05-026, § 230-03-330, filed 2/9/18, effective 5/1/18; WSR 09-24-012 (Order 664), § 230-03-330, filed 11/20/09, effective 12/21/09; WSR 06-07-157 (Order 457), § 230-03-330, filed 3/22/06, effective 1/1/08.]

WAC 230-03-335 Representatives must not work before receiving a license. If you are applying for a license as a representative for a manufacturer, distributor, gambling services supplier, call centers for enhanced raffles, a sports wagering vendor, or linked bingo prize provider, you must not work until you receive a license from us.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-03-335, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070. WSR 06-07-157 (Order 457), § 230-03-335, filed 3/22/06, effective 1/1/08.]

~~**(REPEAL) WAC 230-03-408 Applying for sports wagering prelicensing investigation.** (1) Any individual or organization anticipating applying for a future license to provide equipment~~

WAC 230-03 Proposed Rule Changes

~~and/or services for sports wagering pursuant to a tribal-state compact may apply for a prelicensing investigation.~~

~~(2) To apply, the applicant and each substantial interest holder will go through a prelicensing investigation to determine if the applicant and substantial interest holders are initially qualified.~~

~~(3) It is the responsibility of each applicant and persons who have a substantial interest therein to establish by clear and convincing evidence the necessary qualifications.~~

~~(4) A prelicensing investigation of the applicant includes, but is not limited to:~~

~~(a) Identification of all substantial interest holders of the applicant, and~~

~~(b) Conducting a criminal history background investigation on all substantial interest holders, and~~

~~(c) Verification that cash, goods or services for the startup of the operations or the continuation of the business is from a qualified source, and~~

~~(d) Compliance with all other applicable rules and laws.~~

WAC 230-03 Proposed Rule Changes

~~(5) You are required to complete an online application, submit any required supplemental documentation, and submit a five thousand dollar deposit for us to begin the prelicensing investigation process.~~

~~(6) We may request additional information during our prelicensing investigation. All work will stop until we receive the requested information. You must provide us with the required items within thirty days of notification or we will administratively close your prelicensing application.~~

~~(7) You must pay all costs associated with the prelicensing investigation.~~

~~(a) We will give you an estimate of the anticipated costs based on the information we have received at that time.~~

~~(b) You will be asked to pay the additional deposit to cover the anticipated costs, such as staff time to conduct the prelicensing investigation, travel time, and travel costs.~~

~~(c) We may amend our estimate during our prelicensing investigation process.~~

~~(d) You will have thirty days to submit any additional balance requested. We will not work on the application until we~~

WAC 230-03 Proposed Rule Changes

~~have received all funds requested. Failure to pay the balance within the required time frame will result in administrative closure of the application and all unused funds will be refunded.~~

~~(e) We will stop the prelicensing investigation process if the cost of our investigation exceeds the balance and request additional funds to cover the anticipated costs to continue our investigation. We will resume work upon receipt of the requested deposit to cover anticipated costs to complete the investigation.~~

~~(f) Any unused funds will be refunded.~~

~~(g) We will retain funds to cover all costs incurred if you withdraw your application or if your application is denied.~~

~~(8) Upon completion of a prelicensing investigation, a determination regarding an applicant's qualification will be made. Applicants who are qualified will receive a prelicensing investigation approval from us stating the determination is made based on the information and representations made by the applicant up to that date.~~

WAC 230-03 Proposed Rule Changes

~~(9) Applicants are required to provide notice of any changes to the organization or substantial interest holders after a prelicensing investigation approval has been issued and will be required to pay for any additional investigation costs.~~

~~(10) A prelicensing investigation approval is not a sports wagering license. You must apply for a sports wagering license once a sports wagering tribal-state compact(s) and future licensing rules are effective.~~

~~(11) Prelicensing investigation approval will be valid for one year from the date of issuance. The term of this approval can be extended by the director or designee if the year term is about to expire and sports wagering licensing rules are not in effect.~~

~~(12) Applicants who are determined to be unqualified to receive a prelicensing investigation approval will be given the following options:~~

~~(a) Have thirty days to correct the issue that keeps them from being qualified; or~~

~~(b) Withdraw their application; or~~

~~(c) Receive an application denial.~~

WAC 230-03 Proposed Rule Changes

~~[Statutory Authority: RCW 9.46.070, 9.46.075, and 9.46.153. WSR
21-06-067, § 230-03-408, filed 2/26/21, effective 3/29/21.]~~

WAC 230-05 Proposed Rule Changes

~~(REPEAL) WAC 230-05-101 Implementation of new permit and license fees. WAC 230-05-102 through 230-05-175 apply to all:~~

~~(1) Permits or license years ending on or after June 30, 2018;~~

~~(2) Permits or licenses issued on or after July 1, 2018;~~
and

~~(3) Other fees assessed in this chapter on or after July 1, 2018.~~

~~{Statutory Authority: RCW 9.46.070. WSR 18-05-026, § 230-05-101, filed 2/9/18, effective 5/1/18.}~~

~~WAC 230-05-110 Defining "gross gambling receipts rate."~~

~~"Gross gambling receipts rate" is the rate listed in this chapter that licensees use to calculate their quarterly license fees, if applicable. This also is the rate used for quarterly license reports.~~

~~{Statutory Authority: RCW 9.46.070. WSR 18-05-026, § 230-05-110, filed 2/9/18, effective 5/1/18.}~~

WAC 230-05 Proposed Rule Changes

~~WAC 230-05-112 Defining "gross gambling receipts." (1)~~

~~"Gross gambling receipts" means the amount due to any operator of an authorized activity as described in subsection (5) of this section.~~

~~(2) The amounts must be stated in U.S. currency.~~

~~(3) The value must be before any deductions for prizes or other expenses, such as over/short.~~

~~(4) "Gross gambling receipts" does not include fees from players to enter player-supported jackpots. However, any portion of wagers deducted for any purpose other than increasing current prizes or repayment of amounts used to seed prizes are "gross gambling receipts."~~

~~(5) Gross gambling receipts for authorized activities:~~

Activity:	Gross gambling receipts include amounts due to any operator for:
(a) Punch board and pull tab	Purchasing chances to play.
(b) Raffles and enhanced raffles	Purchasing chances to enter.
(c) Bingo	Fees or purchase of cards to participate.
(d) Amusement games	Amounts paid to play amusement games.
(e) Card games	• "Net win" from house-banked card games; • Tournament entry fees; • Administrative fees from player-supported jackpots; • Fees to participate in nonhouse-banked card games.

WAC 230-05 Proposed Rule Changes

Activity:	Gross gambling receipts include amounts due to any operator for:
(f) Manufacturers and distributors	<p>(i) Fees from sales, rentals, leases, royalties, and service fees collected for the following gambling equipment in Washington to include, but not limited to:</p> <ul style="list-style-type: none"> • Bingo paper or bingo cards; • Punch boards and pull tabs; • Devices for dispensing pull tabs; • Electronic devices for conducting, facilitating or accounting for the results of gambling activities; • Cards; • Dice; • Gambling chips; • Cash exchange terminals; • Progressive meters; • Gambling software; • License agreements; • Card shuffling devices; • Graphical game layouts for table games; • Ace finders or no peek devices; • Roulette wheels; • Keno equipment; • Tables manufactured exclusively for gambling purposes; • Bet totalizers; • Electronic devices for reading or displaying outcomes of gambling activities; • Tribal lottery systems and components thereof. <p>(ii) Fees from the service, repair and modification of gambling equipment in Washington to include, but not limited to:</p> <ul style="list-style-type: none"> • Charges for labor and parts for repairing gambling equipment; • Service fees related to gambling operations; • Training or set-up fees; • Maintenance contract fees related to gambling equipment and operations.
(g) Gambling service suppliers	Fees from gambling related services provided in or to be used in Washington to include, but not limited to:

WAC 230-05 Proposed Rule Changes

Activity:	Gross gambling receipts include amounts due to any operator for:
	<ul style="list-style-type: none"> ▲ Consulting, advisory or management services related to gambling; ▲ Interest from financing the purchase or lease of gambling equipment, infrastructure or facilities or equipment that supports gambling operations; ▲ Acting as a lending agent, loan services or placement agent; ▲ Assembly of components for gambling equipment to be used under a contract with a licensed manufacturer; ▲ Ongoing financial arrangements for gambling related software with a licensed manufacturer; ▲ Installing, integrating, maintaining, or servicing digital surveillance systems that allow direct access to the operating system; ▲ Training individuals to conduct authorized gambling activities; ▲ Performing testing and certification of tribal lottery systems in meeting requirements specified in the tribal state compacts; ▲ Providing nonmanagement related recordkeeping or storage services for punch board and pull-tab operators; ▲ Ownership of proprietary games or equipment.
<u>(h) Punch board/pull-tab service businesses</u>	Providing nonmanagement related recordkeeping or storage services for punch board and pull-tab operators.
<u>(i) Fund-raising event distributors</u>	Fees from contracts to organize and conduct recreational gaming activities.
<u>(j) Fund-raising events and agricultural fairs</u>	Fees received from the operation of bingo, amusement games, raffles, lotteries, contests of chance, and/or net win from table games operated at a fund-raising event.
<u>(k) Major Sports Wagering Vendor</u>	<u>Fees or revenues received from providing sports wagering goods and services, including:</u>

WAC 230-05 Proposed Rule Changes

Activity:	Gross gambling receipts include amounts due to any operator for:
(l) Mid-level Sports Wagering Vendor	management, consulting, sales, rentals, leases, and royalties, for any sports wagering activities in Washington. Fees or revenues received from providing sports wagering goods and services, including: sales, rentals, leases, and royalties, for any sports wagering activities in Washington.
(m) Ancillary Sports Wagering Vendor	Fees or revenues received from providing sports wagering goods and services, including: sales, rentals, leases, and royalties, for any sports wagering activities in Washington.

~~[Statutory Authority: RCW 9.46.070. WSR 20-08-095, § 230-05-112, filed 3/30/20, effective 4/30/20; WSR 18-05-026, § 230-05-112, filed 2/9/18, effective 5/1/18.]~~

Commented [A6]: If licensing fees as noted below are not based at all on GGR, why would definition of GGR and rules surrounding such reporting be necessary?

WAC 230-05-120 Paying annual license fee. (1) All

licensed organizations will pay annual license fees ~~in up to five payments~~. The annual license fee will be up to five payments and includes:

- (a) A base license fee paid with your:
 - (i) Initial application for a new license or permit; or
 - (ii) License renewal or annual permit application; and

WAC 230-05 Proposed Rule Changes

(b) Quarterly license fees, if applicable, based on the gross gambling receipts reported on your quarterly license report.

(2) Licensed organizations starting a new activity will begin paying quarterly license fees, if applicable, on that activity upon completion of the first quarter, whether a partial or full quarter, after your license or annual permit was issued.

(3) Individual licensees will pay an annual license fee with their initial application or license renewal application. [Statutory Authority: RCW 9.46.070. WSR 18-05-026, § 230-05-120, filed 2/9/18, effective 5/1/18.]

WAC 230-05-124 Quarterly license reports and quarterly license fees. ~~All~~ Licensed organizations must submit quarterly license reports. Licensed organizations must also submit ~~and~~ quarterly license fees to us, if applicable, for each licensed gambling activity beginning with the first quarter of their license year. The quarterly license fee is due with the quarterly license report.

WAC 230-05 Proposed Rule Changes

The quarterly license reports must be in the format we require and must:

(1)

Cover the period:	Be received by us no later than:
January 1 through March 31	April 30
April 1 through June 30	July 31
July 1 through September 30	October 31
October 1 through December 31	January 31

(2) Be received online at our administrative office or postmarked no later than the dates indicated in the table in subsection (1) of this section; and

(3) Be submitted even if there is no quarterly license fee payable to us; and

(4) Be accurate; and

(5) Be completed by the highest ranking executive officer or a designee. If someone other than the licensee or an employee prepares the report, the preparer must include his or her name and business telephone number on the report; and

(6) Be submitted for any period of time the license was valid, even if there was no gambling activity or the gambling license was not renewed.

WAC 230-05 Proposed Rule Changes

[Statutory Authority: RCW 9.46.070. WSR 20-12-046, § 230-05-124, filed 5/28/20, effective 6/28/20; WSR 18-05-026, § 230-05-124, filed 2/9/18, effective 5/1/18.]

WAC 230-05-125 Report gross gambling receipts on the quarterly license report. (1) You must report your gross gambling receipts for each of your licensed gambling activities during the previous quarter on your quarterly license report.

(2) You must submit a quarterly license report even if you:

- (a) ~~Only need to pay your base license fee;~~
- (b) Have paid the maximum annual license fee for your

license year;

~~(c)~~ You do not owe a quarterly license fee for the quarter;

~~(d)~~ Have no gross gambling receipts to report;

~~(e)~~ Close your business;

~~(f)~~ Surrender your license;

~~(g)~~ Do not renew your license; or

~~(h)~~ Your license is revoked or suspended.

[Statutory Authority: RCW 9.46.070. WSR 18-11-055, § 230-05-125, filed 5/10/18, effective 6/10/18.]

Commented [A7]: Why? Is some other necessary WSGC action done based on the quarterly report?

WAC 230-05 Proposed Rule Changes

WAC 230-05-126 Online filing and payments required with waivers available upon request for good cause. (1) All licensees must submit the following online, where applicable:

- (a) Renewal application and base license fees; and
- (b) Quarterly license fees; and
- (c) Quarterly license reports.

(2) We may waive these requirements if a licensed organization can show good cause. The reasons for good cause include:

- (a) You do not have access to the internet using your own computer or similar equipment; or
- (b) You do not have a bank account; or
- (c) Your bank is unable to send electronic fund transactions; or
- (d) Some other circumstance or condition exists that, in our judgment, prevents you from submitting online.

(3) We may waive these requirements if a licensed individual can show good cause. The reasons for good cause include:

WAC 230-05 Proposed Rule Changes

(a) You do not have access to the internet using your own computer or similar equipment; or

(b) You do not have a bank account or credit card; or

(c) Your bank is unable to send electronic fund transactions; or

(d) Some other circumstance or condition exists that, in our judgment, prevents you from submitting online.

(4) You must request a waiver when applying for a new license or permit.

(5) A waiver will cover all fees and reports required under subsection (1) of this section.

[Statutory Authority: RCW 9.46.070. WSR 18-05-026, § 230-05-126, filed 2/9/18, effective 5/1/18.]

WAC 230-05-170 Fees for other businesses. All other business organizations must pay the following fees:

(1) Annual licenses or permits:

License Type	Base License Fee	Gross Gambling Receipts Rate	Maximum Annual License Fee
Agricultural fair bingo (annual permit)	\$200	-	-
Call centers for enhanced raffles	\$4,800	-	-

WAC 230-05 Proposed Rule Changes

License Type	Base License Fee	Gross Gambling Receipts Rate	Maximum Annual License Fee
Commercial amusement games	\$500 plus \$65 per approved location	1.130%	\$11,000
Distributor	\$700	1.430%	\$7,000
Fund-raising event distributor	\$280	1.430%	\$1,000
Linked bingo prize providers	\$1,500	.046%	\$20,000
Manufacturer	\$1,500	1.430%	\$25,000
Manufacturer's special sales permit	\$250	-	-
Punch board/pull-tab service business permit	\$250	-	-
Gambling service supplier	\$300	1.430%	\$7,000
Major Sports Wagering Vendor	\$8525,000	-	-
Mid-level Sports Wagering Vendor	\$495,000	-	-
Ancillary Sports Wagering Vendor	\$5,000	-	-

Commented [A8]: These are excessively high and will prevent quality vendors from entering Washington. The fees should not dramatically depart from existing fee structure in Washington, i.e. the maximum annual fee of \$25,000 (plus special investigative fees).

License or Permit Type	Base License Fee	Gross Gambling Receipts Rate	Maximum Annual License Fee
Recreational gaming activity	\$65	-	-
Special property bingo	\$30	-	-

Change of:	Fee
Name	\$100
Location	\$100
Business classification (same owners)	\$100
Corporate stock/limited liability company shares/units	\$100
License transfers	\$100

(4) Other fees:

Transaction	Fee
Add a new amusement game location	\$65
Defective punch	Up to \$100

WAC 230-05 Proposed Rule Changes

Transaction	Fee
board/pull-tab cost recovery fees	
Duplicate license	\$50
Pre- and post-licensing investigations	Cost reimbursement
Review, inspection, and/or evaluation of gambling equipment, supplies, services, games, schemes, or group 12 amusement games	Deposit and cost reimbursement

[Statutory Authority: RCW 9.46.070. WSR 18-11-055, § 230-05-170, filed 5/10/18, effective 6/10/18.]

WAC 230-05-175 Individual license fees. Individuals must

pay the following fees:

(1) Annual license and additional employer fees:

License Type	New Application Fee	Annual Renewal Fee	Additional or Change of Employer Fee
Call center for enhanced raffle representative	\$275	\$170	-
Card room employee license - Nonhouse-banked (Class A)	\$200	\$95	\$65
Card room employee license - Class F and house-banked (Class B)	\$275 (in-state) \$340 (out-of-state)	\$170	\$65
Charitable or nonprofit gambling manager	\$200	\$95	\$95
Commercial gambling manager	\$200	\$95	\$95
Distributor representative	\$275	\$170	\$65
Linked bingo prize provider representative	\$275	\$170	\$65
Manufacturer representative	\$275	\$170	\$65
Gambling service supplier representative	\$275	\$170	\$65
<u>Major sports wagering vendor representative</u>	<u>\$275</u>	<u>\$170</u>	<u>\$65</u>
<u>Mid-level sports wagering vendor representative</u>	<u>\$275</u>	<u>\$170</u>	<u>\$65</u>
<u>Ancillary sports wagering vendor representative</u>	<u>\$275</u>	<u>\$170</u>	<u>\$65</u>

WAC 230-05 Proposed Rule Changes

(2) Class B card room employees must pay the out-of-state application fee if over the last ten years the applicant lived outside of Washington for six nonconsecutive months or more.

(3) Other service fees:

Transaction	Fee
Change of name	\$30
Card room employee emergency waiver request	\$65
Duplicate license	\$30

(4) Military personnel returning from service. If a license expires while an individual is on active military service, the individual may apply to have their license reissued at the renewal fee. The application must be received within six months after completing their active military service. The applicant must provide evidence of the completion date of active military service.

[Statutory Authority: RCW 9.46.070. WSR 18-08-053, § 230-05-175, filed 3/30/18, effective 5/1/18.]

WAC 230-06 Proposed Rule Changes

WAC 230-06-030 Restrictions and conditions for gambling

promotions. Licensees may conduct gambling promotions to encourage players to participate in the gambling activity they are licensed to conduct without our review or approval under these restrictions and conditions:

(1) You must establish rules and restrictions to determine how you will give promotional prizes and items to players; and

(2) You must comply with all applicable federal, state, and tribal laws and rules;

~~(3)~~ You must display all rules and restrictions clearly in the gambling area and include them on promotional materials or advertisements; and

~~(4)~~ You must give all players eligible for the promotion an equal opportunity to participate; and

~~(5)~~ Except for members-only progressive raffles conducted as authorized in WAC 230-11-091, you must not give another chance to participate in a gambling activity we regulate as a promotional item; and

WAC 230-06 Proposed Rule Changes

~~(65)~~ As part of a gambling promotion, you may add additional merchandise or cash prizes, including increasing payouts for gambling activities you are licensed to conduct; and

~~(76)~~ Licensed manufacturers, distributors, and service suppliers may give cash or merchandise items to licensed operators to be used as promotional prizes as long as:

(a) The cash or merchandise is offered to all licensed operators; and

(b) The gambling promotion is approved by the director or director's designee when cash or merchandise provided to a licensed operator for a single promotion is over twenty-five thousand dollars; and

~~(87)~~ In order for a licensed manufacturer, distributor, and service supplier to receive approval, the plan for the gambling promotion must be submitted to the director at least ninety days in advance of the intended start date. The promotion must include sufficient information for the director's approval, comply with all applicable federal and state laws, and include:

(a) The gambling promotion rules and restrictions; and

(b) How the operator will safeguard the prizes; and

WAC 230-06 Proposed Rule Changes

(c) How the prizes will be given away; and

(d) The beginning and ending dates for the gambling promotion; and

(e) A detailed prize winner's record to be filled out upon completion of the promotion that includes the winner's name, prizes paid out, date the prize was awarded; and

(f) Any other information we request; and

~~(98)~~ You must not give promotional prizes or items based on additional elements of chance except that:

(a) Licensed bingo operators are authorized to give promotional prizes or items as part of a bingo game; and

(b) Licensed card rooms are authorized to give promotional prizes or items as part of a physical drawing, spinning a wheel, or selecting from a group of concealed items; and

~~(109)~~ You must not combine gambling activities and related gambling promotions in any way with a promotional contest of chance as defined in RCW 9.46.0356.

[Statutory Authority: RCW 9.46.070. WSR 17-04-009, § 230-06-030, filed 1/19/17, effective 2/19/17. Statutory Authority: RCW 9.46.070 and 9.46.0277. WSR 14-17-056 (Order 703), § 230-06-030, filed 8/15/14, effective 9/15/14. Statutory Authority: RCW

WAC 230-06 Proposed Rule Changes

9.46.070. WSR 08-17-066 (Order 629), § 230-06-030, filed 8/18/08, effective 9/18/08; WSR 06-17-132 (Order 601), § 230-06-030, filed 8/22/06, effective 1/1/08.]

WAC 230-06-050 Review of electronic or mechanical gambling

equipment. (1) When you are required to submit gambling equipment, supplies, services, or games for our review to verify compliance with chapter 9.46 RCW and Title 230 WAC, you must pay the application deposit before we perform the review. You must also reimburse us for any additional costs of the review. All costs must be paid in full prior to the completion of the review.

(2) The gambling equipment submitted for review must be identical or substantially similar to what will be marketed, distributed, and deployed in Washington. If the equipment is not sufficient for testing and review, we may require additional equipment or information.

(3) If your application is incomplete or we request additional information, you must provide us with the required items within thirty days of notification or we may administratively close your application.

WAC 230-06 Proposed Rule Changes

(4) You can begin accepting orders for gambling equipment when you are licensed.

(5) Only gambling equipment approved by the director or director's designee is allowed in Washington except as provided under WAC 230-16-005 ~~or under a tribal-state gaming compact and WAC 230-17-xxx(SW system rule).~~

(6) We may include security or surveillance requirements as part of gambling equipment approval.

(7) Gambling equipment must operate as approved by the director or director's designee ~~except as provided in a tribal-state gaming compact under WAC 230-17-xxx (SW System Rule).~~

(8) We may keep equipment submitted for review to allow for continued testing and training as long as the equipment remains in play in Washington. We are not liable for any damage to equipment while in our possession.

(9) If you do not agree with the director or director's designee's decision, you may file a petition for declaratory order with the commission according to RCW 34.05.240 and chapter 230-17 WAC.

[Statutory Authority: RCW 9.46.070. WSR 19-11-047, § 230-06-050, WAC (4/29/2021 08:38 AM) [5] NOT FOR FILING

WAC 230-06 Proposed Rule Changes

filed 5/10/19, effective 6/10/19; WSR 14-09-037 (Order 696), §
230-06-050, filed 4/11/14, effective 7/1/14; WSR 07-21-116

WAC 230-06 Proposed Rule Changes

(Order 617), § 230-06-050, filed 10/22/07, effective 1/1/08; WSR 06-17-132 (Order 601), § 230-06-050, filed 8/22/06, effective 1/1/08.]

WAC 230-06-054 Notification of electronic or mechanical gambling equipment malfunctions. Licensees must notify us, in the format we require, within seventy-two hours of identifying or becoming aware of an electronic or mechanical gambling equipment malfunction ~~except for sports wagering vendors as provided under WAC 230-17-xxx (SW System Rule).~~

[Statutory Authority: RCW 9.46.070. WSR 14-09-037 (Order 696), § 230-06-054, filed 4/11/14, effective 7/1/14.]

WAC 230-06-082 Manufacturers, distributors, gambling service suppliers, sports wagering vendors, linked bingo prize providers, and call centers for enhanced raffles reporting changes in licensed employees. Manufacturers, distributors, gambling service suppliers, sports wagering vendors, linked bingo prize providers and call centers for enhanced raffles licensees must:

WAC 230-06 Proposed Rule Changes

(1) Submit an application and the required fees before allowing licensed employees or sports wagering vendor representatives to begin working.

(2) Notify us in the format we require when a licensed employee or sports wagering vendor representative no longer works for them. We must receive the notice at our Lacey office within ten days of the licensed employee's or representative's last day.

[Statutory Authority: RCW 9.46.070. WSR 18-05-029, § 230-06-082, filed 2/9/18, effective 7/1/18.]

(NEW) WAC 230-06-xxx Submitting sports wagering related contracts and agreements for review.

Sports wagering vendors must provide any new contracts or agreements or changes to existing contracts or agreements relating to their sports wagering goods and/or services in the state of Washington, to us, ~~prior to execution of the contract or agreement.~~ Provided, however, that nothing in this rule requires a sports wagering vendor to provide its contracts or agreements with a federally recognized Indian tribe.

Commented [A9]: Our strong preference is that this draft rule is deleted in its entirety, but at the very least this rule must exclude the tribe's agreements with sports wagering vendors.

WAC 230-06 Proposed Rule Changes

WAC 230-06-110 Buying, selling, or transferring gambling

equipment. (1) All licensees and persons authorized to possess gambling equipment must closely control the gambling equipment in their possession.

(2) Before selling gambling equipment, licensees must ensure that the buyer possesses a valid gambling license or can legally possess the equipment without a license.

~~(3) Licensees buying, selling, or transferring gambling equipment must ensure that it will be used pursuant to all state laws or rules, or laws and rules in the jurisdiction(s) where the activity is occurring.~~

Commented [A10]: How could a vendor possibly ensure it will be used by someone else pursuant to all laws? That doesn't work.

(34) Before purchasing gambling equipment, licensees must ensure that the seller possesses a valid gambling license.

(45) Applicants for Class F or house-banked card room licenses may purchase and possess gambling equipment during the prelicensing process, but only after receiving written approval from us.

(56) Charitable and nonprofit organizations conducting unlicensed bingo games, as allowed by RCW 9.46.0321, may possess bingo equipment without a license.

WAC 230-06 Proposed Rule Changes

(~~6~~7) Group 12 amusement games can only be sold or leased to amusement game licensees by a licensed manufacturer or distributor. Amusement game licensees can lease or rent group 12 amusement games for operation at approved amusement game locations.

(~~7~~8) Licensees may transfer gambling equipment as a part of a sale of a business as long as a condition of the sale is that the buyer receives a gambling license before the sale is complete. Licensees must make a complete record of all gambling equipment transferred in this manner, including I.D. stamps. Licensees must report these transfers, including a copy of the inventory record, to us.

[Statutory Authority: RCW 9.46.070. WSR 18-05-029, § 230-06-110, filed 2/9/18, effective 7/1/18. Statutory Authority: RCW 9.46.070, 9.46.0201. WSR 16-19-015, § 230-06-110, filed 9/8/16, effective 10/9/16; WSR 16-08-033 (Order 718), § 230-06-110, filed 3/30/16, effective 4/30/16. Statutory Authority: RCW 9.46.070. WSR 08-11-044 (Order 628), § 230-06-110, filed 5/14/08, effective 7/1/08; WSR 07-21-116 (Order 617), § 230-06-110, filed 10/22/07, effective 1/1/08; WSR 06-17-132 (Order 601), § 230-06-110, filed 8/22/06, effective 1/1/08.]

WAC 230-06 Proposed Rule Changes

(NEW) WAC 230-06-115 Transporting, displaying, and selling gambling equipment at trade shows

(1) "Trade show" when used in this section means an exhibition where licensees can promote their products and services to operators of authorized gambling activities in Washington; the exhibition is not open to the public; and it is of limited duration.

(2) "Gambling equipment" as used in this section has the same meaning as in WAC 230-03-200.

(3) "Demonstration mode" when used in this section means when gambling equipment cannot be used for actual wagering and the equipment's coin or bill acceptor is removed or physically restricted from use.

(4) Licensees may transport, display, and accept orders for the sale or lease of their products at trade shows only under the following conditions:

(a) All products must be manufactured by a licensee for activities authorized by state laws or tribal-state compacts, or is Class II gaming equipment as authorized by federal law for use on tribal lands; and

WAC 230-06 Proposed Rule Changes

(b) All gambling equipment physically displayed must be in demonstration mode and either:

(i) Approved for sale or lease in the state; or

(ii) Not approved by us but is only used for authorized activities under state laws or tribal-state compacts, or is Class II gaming equipment as authorized by federal law for use on tribal lands, and is transported into the state no more than ten days before a trade show begins and is removed from the state within ten days following the last day of a trade show.

(c) Gambling equipment must have a sign posted in close proximity to the device that contains the phrase, "No one under 18 years of age is allowed to operate this machine."

(5) Licensees must provide notification that they will be transporting, displaying, or accepting orders for gambling equipment on a form prescribed by the gambling commission at least ten days before a specified trade show.

(6) Gambling equipment at a trade show is subject to on-site inspection by the gambling commission.

[Statutory Authority: RCW 9.46.070. WSR 19-11-047, § 230-16-005, filed 5/10/19, effective 6/10/19; WSR 07-19-069 (Order 615), § 230-16-005, filed 9/17/07, effective 1/1/08.]

WAC 230-06 Proposed Rule Changes

WAC 230-06-120 Selling or transferring gambling equipment

when no longer licensed. (1) If we have revoked your operator, distributor, or sports wagering vendor license, your license has expired, or you have voluntarily surrendered your license, you may only sell or otherwise transfer gambling equipment to a licensed manufacturer or distributor or sports wagering vendor, as applicable, and consistent with all statutes and rules, including WAC 230-06-110.

(2) Transfers of gambling equipment in this manner are subject to the following requirements:

(a) The transfer must be complete within thirty days of the date the license became invalid; and

(b) Distributors must use the cash or credit against amounts they owe manufacturers; and

(c) Operators, ~~distributors,~~ or sports wagering vendors selling the equipment must report to us within ten days of the transaction a complete inventory of all the gambling equipment transferred, including commission I.D. stamps; and

WAC 230-06 Proposed Rule Changes

(d) Manufacturers, ~~or~~ distributors, or sports wagering vendors receiving the equipment must prepare a credit memorandum and retain it with their records.

[Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-06-120, filed 10/22/07, effective 1/1/08; WSR 06-17-132 (Order 601), § 230-06-120, filed 8/22/06, effective 1/1/08.]

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~(NEW) WAC 230-17-005 Sports Wagering Definitions~~

~~Definitions for sports wagering as used in this Chapter are:~~

~~(1) "Affiliate" means an individual or organization that promotes sport wagering websites in exchange for a commission or fee.~~

~~(2) "Authorized Sports Wagering Menu" means the official list of sports, leagues, and types of wagers authorized to be offered for sports wagering in the state.~~

~~(3) "Esports" means a video game competition in which players and teams compete against each other.~~

~~(4) "Geofence" means a virtual geographic boundary that enables software or other technology to determine geolocation and detect when a Mobile Device enters or leaves an approved designated area that allows a patron to place a wager for mobile sports wagering.~~

~~(5) "Integrity Monitoring Provider" means an independent organization licensed to receive reports of Unusual Wagering Activity from a Sports Wagering Operation for the purpose of assisting in identifying Suspicious Wagering Activity.~~

~~(6) "Minor League" means a lower professional league or division within a sport, such as baseball or hockey, where a professional team has the exclusive contractual rights to promote and relegate players.~~

Commented [A11]: Some of these definitions conflict with Appendix S. See email for additional rationale for deleting 230-17.

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~(7) "Mobile Device" means a personal portable electronic equipment used in Mobile Sports Wagering, for example a smartphone.~~

~~(8) "Mobile Sports Wagering" means any Sports Wagering on a platform that is deployed and accessed through the internet or an application installed on a Mobile Device.~~

~~(9) "Prohibited sports wagering participant" means any person who is prohibited pursuant RCW 9.46.037 and any person whose participation may undermine the integrity of the wagering or the sports event, or any person who is prohibited for other good cause, including, but not limited to: any person placing a wager as an agent or proxy; any person who is an athlete, coach, referee, player, in, or on, any sports event overseen by that person's sports governing body ; any person who holds a position of authority or influence sufficient to exert influence over the participants in a sports event that is the subject of a wager, or as identified by us or a Tribal Gaming Agency.~~

~~(10) "Sports Wagering Account" means an electronic account established by a patron for the purpose of sports wagering, including deposits, withdrawals, wagered amounts, payouts on winning wagers, or similar adjustments.~~

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~(11) "Sport Wagering Kiosk" means a self-service automated device used by patrons to make wagers on sporting events, obtain wagering information, redeem sports wagering vouchers and wagering tickets, and any other automated functions used for sports wagering.~~

~~(12) "Sports Wagering System" means all equipment, hardware, data networks, communications technology, and software used in a sports wagering operation and that directly affect the wagering and results of sports wagering, including, but limited to: (a) interactive components, including all associated equipment and software that comprise the sports wagering platform used by a sports wagering operation or for online or mobile sports wagering; (b) sports wagering kiosks; and (c) ticket or voucher redemption devices. This does not include a Mobile Device owned and used by a patron to place a Sports Wager.~~

~~(13) "Sports wagering vendor" means all three sports wagering licensees major, mid-level, and ancillary identified in this Chapter unless identified otherwise in these rules.~~

~~(14) "Suspicious wagering activity" means unusual wagering activity that cannot be explained and is indicative of match~~

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~fixing, manipulation of an event, misuse of inside information, or other activity prohibited by federal, state, tribal, or local law.~~

~~(15) **"Unusual wagering activity"** means abnormal wagering or pattern of behavior exhibited by one or more patrons as a potential indicator of suspicious activity. Abnormal wagering activity may include, but is not limited to, the size of a patron's wager or increased wagering volume on a particular event or wager type and/or other deviations readily apparent based on prior wagering history.~~

~~**(NEW) 230-17-xxx Sports wagering vendors must ensure sports wagering vendor representatives are licensed.**~~

~~(1) Sports wagering vendors must ensure all sports wagering vendor representatives are licensed as required by rule.~~

~~(2) Sports wagering vendors must take all measures necessary to prevent an unlicensed sports wagering vendor representative from working in our state.~~

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~(NEW) WAC 230-17-xxx Accounting records for sports wagering vendors~~

~~Sports wagering vendors must keep and maintain a complete set of records for their licensed activity and include, at a minimum:~~

~~(1) Double entry method of accounting updated at least once a month, including a monthly balance for each account; and~~

~~(2) Maintain their records in accordance with generally accepted accounting principles and ensure the records can be reconciled to the licensee's federal income tax return; and~~

~~(3) Maintain and keep for at least three years following the end of the fiscal year:~~

~~(a) Cash disbursements book (check register) — Sports wagering vendors must document all expenses, both sports wagering and non-sports wagering related, with invoices or other appropriate supporting documents. They must enter information monthly and include, at least:~~

~~(i) The date the check was issued or payment made;~~

~~(ii) The number of the check; and~~

~~(iii) The name of the payee; and~~

~~(iv) Type of expense; and~~

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~(b) **Cash receipts** — Sports wagering vendors must keep a record of cash sales and cash received from all sources. They must enter information for each payment received monthly and include, at least, the:~~

~~(i) Date; and~~

~~(ii) Name of the person paying; and~~

~~(iii) Amount; and~~

~~(c) **General ledger** — Sports wagering vendors whose sports wagering related sales are greater than five hundred thousand dollars per year must have a general ledger which contains, in addition to all other accounts by month, a separate sales account for each type of sale; and~~

~~(d) **Bank reconciliation** — Sports wagering vendors must reconcile their accounts each month. "Reconcile" means the sports wagering vendors must compare the two balances, resolve any differences, and document the comparison and the differences in writing; and~~

~~(e) **Copies of all financial data** — Sports wagering vendors must keep copies of all financial data that supports tax reports to governmental agencies; and~~

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~(j) Maintain copies of all contracts related to sports wagering they enter into which fully disclose all terms.~~

~~**(NEW) WAC 230-17-XXX Sales invoices for sports wagering vendors**~~

~~Sports wagering vendors must document each sale of equipment or services, any return or refund, or any other type of transfer of sports wagering equipment, with a standard sales invoice.~~

~~**Sales invoices and credit memos**—These invoices and credit memos must:~~

~~(1) Be prenumbered sequentially at the time of purchase, using not less than four digits. Sports Wagering vendors may use computer generated numbering systems if:~~

~~(a) The system numbers the invoices and credit memos sequentially; and~~

~~(b) The sports wagering vendors use the same system for all sales; and~~

~~(c) The sports wagering vendors must not use a manual override function; and~~

~~(2) Record:~~

(NEW) WAC 230-17, Proposed Sports Wagering Rules

- ~~(a) The date of sale. Sports wagering vendors must also enter the date of delivery if different from the date of sale; and~~
- ~~(b) The customer's name and complete business address; and~~
- ~~(c) A full description of each item sold, or service provided, and~~
- ~~(d) The quantity and price of each item, and~~
- ~~(e) The gross amount of each sale, including all discount terms and the total dollar amount of any discount.~~

~~**(NEW) WAC 230-17-xxx Sales journals for sports wagering vendors**~~

~~Sports wagering vendors must keep a monthly sales journal containing, at least:~~

- ~~(1) Each date of sale; and~~
- ~~(2) Each sale invoice number; and~~
- ~~(3) The name of the person paying; and~~
- ~~(4) Sales categorized by the sports wagering goods, equipment or services sold; and~~
- ~~(5) The total amount of each invoice.~~

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~(NEW) WAC 230-17-xxx Authorized Sports Wagering Menu~~

~~(1) Sports wagering vendor licensees may only offer, facilitate, or promote wagering that is approved on the Authorized Sports Wagering Menu.~~

~~(2) The Authorized Sports Wagering Menu will be updated as leagues, organizations, or types of wagers are approved or removed.~~

~~(3) The Authorized Sports Wagering Menu will be published on the commission's website.~~

Commented [A12]: This is inconsistent with Appendix S. Tribal Gaming Agency plays a major role in approving wagers.

~~(New) WAC 230-17-xxx Sports Wagering Integrity~~

~~(1) Sports wagering vendor and vendor representative licensees must immediately notify us upon any discovery of a violation or of a suspected violation of RCW 9.46, this Chapter, or any violation of local, state, tribal, or federal ordinances, statutes, administrative rules or court orders.~~

~~(2) Licensees must monitor for suspicious and unusual wagering activity.~~

~~(3) Licensees must make all reasonable efforts to detect and prevent prohibited sports wagering participants from participating in sports wagering.~~

Commented [A13]: This conflicts with Appendix S.

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~(4) Licensees must immediately notify us, in the format we require, when unusual wagering activity or suspicious wagering activity is identified, including changes with the status of, or information related to, a previously reported unusual or suspicious wagering activity.~~

~~(5) Licensees will provide sports wagering information to us when requested.~~

~~(6) Licensees will provide us, or an Integrity Monitoring Provider(s) designated by us, access to their sports wagering system, including hardware and software if needed to assist us with integrity monitoring and investigations.~~

~~(NEW) WAC 230-17-xxx Integrity Monitoring Provider Requirements~~

Commented [A14]: This conflicts with Appendix S.

~~(1) Integrity monitoring providers must have analytical systems to receive and analyze daily sports wagering information and data and be able to monitor, identify, analyze, and report on suspicious or unusual wagering activity.~~

~~(2) Integrity Monitoring Providers will provide us access to required sports wagering information, including hardware and~~

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~software as needed, to assist us with integrity monitoring and investigations.~~

~~(3) Integrity Monitoring Providers must immediately notify us when they identify unusual wagering activity or suspicious wagering activity.~~

~~(4) Integrity Monitoring Providers must immediately notify us, and all other Integrity Monitoring Providers, sports wagering operators, and all other agencies or organizations as directed by us, on any previously reported unusual wagering activity it finds rises to the level of suspicious wagering activity..~~

~~(NEW) WAC 230-17-xxx Sports Wagering System Requirements~~

~~(1) Sports wagering vendors must be licensed before the sale or delivery of a sports wagering system(s) to be used in our state.~~

~~(2) All sports wagering systems must be tested and certified by a licensed independent testing laboratory.~~

~~(3) All sports wagering kiosks must be tested, approved, and certified by a licensed independent testing laboratory.~~

~~(4) All sports wagering systems must be approved by the Tribal Gaming Agency where the system is to be installed and operated.~~

Commented [A15]: This is inconsistent with Appendix S.

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~(5) All sports wagering systems must meet or exceed Gaming Laboratory International GLI-33 sports wagering system standards, including any appendices or amendments; the standards established under tribal-state sports wagering compact amendment appendices, and any applicable provisions of tribal-state compacts and appendices for which the sports wagering system will operate or additional standards agreed to by us and a tribal gaming agency.~~

~~(6) No substantive modifications to a sports wagering system may be made after an Independent Test Laboratory has certified a sports wagering system without the modification being certified by the Independent Test Laboratory.~~

~~(7) A Sports Wagering System shall have controls in place to review the accuracy and timeliness of any data feeds used to offer or settle wagers.~~

~~(8) The primary server for a sports wagering system must be in the state and located within a Class III tribal gaming facility.~~

~~(9) Cloud storage for sports wagering data and information may be used for duplicate or backup data. Cloud storage facilities must be located in the state.~~

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~(10) Sports wagering systems, at a minimum, must be capable of generating reports necessary to record the adjusted gross receipts, wagering liability, ticket redemption, and such other information relating to sports wagering as required by us, a tribal gaming agency, or internal controls. These reports include, but are not limited to: (a) Gaming Operation Revenue reports; (b) Gaming Operation Liability reports; (c) Future Events reports; (d) Significant Events and Alterations reports; (e) Wager Record Information reports; (f) Market Information reports; (g) Contest/Tournament Information reports; (h) Sports Wagering Account Information reports; (i) Sports Wagering System Information reports; (j) Significant Event Information reports; (k) User Access Information reports; (l) Wagering Device Information reports; (m) Promotion/Bonus Information reports; (n) Event Game Play reports; (o) Expired tickets reports; and (p) any other reports required by us or a tribal gaming agency.~~

~~(11) Sports wagering systems and sports wagering kiosks will, at a minimum, allow for a display of commitment to responsible gaming and link to the Class III tribal sports wagering operator's~~

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~responsible gaming policies. It will also have solutions for including, but not limited to:~~

~~patron controlled wager and deposit limits; and connecting players to problem gambling resources.~~

~~(12) Licensees bringing sports wagering systems, components, and kiosks into the state must provide us access to the sports wagering system(s), including hardware, software or other related sports wagering equipment as needed for us to develop our regulatory program and trainings. Sports wagering system hardware, software, or other related equipment provided to us must be identical or substantially similar to what is deployed in the state.~~

~~(NEW) WAC 230-17-xxx **Geofence and Geolocation Requirements**~~

~~(1) Mobile sports wagering must be contained to an approved Class III tribal gaming facility premises as approved pursuant to each tribal state sports wagering compact amendment. Licensees will incorporate controls, including geofence and geolocation compliance and monitoring, to ensure wagers cannot be placed in violation of federal, state, or tribal laws and rules within each jurisdiction.~~

Commented [A16]: This conflicts with Appendix S. It is the Tribe's responsibility to meet geofence/geolocation standards set in the Compact.

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~(2) Geofence and geolocation systems will be updated, as needed or required by tribal state compact, to ensure that the system detects and mitigates existing and emerging location fraud risks.~~

~~(NEW) WAC 230-17-xxx Sports Wagering Account Requirements~~

~~(1) Licensees that manage or have access to a sports wagering account must maintain and produce all sports wagering account information when requested by us or a tribal gaming agency.~~

~~(2) A sports wagering account connected to a sports wagering system, or mobile sports wagering, must ensure that a sports wagering patron cannot have more than one active sports wagering account and username for each sports wagering operation authorized through tribal state compact process.~~

~~(3) A sports wagering account must be registered and verified in person at a tribal gaming facility before the acceptance of any wager using that Sports Wagering Account.~~

~~(4) A player's identification for a sports wagering account must be reverified upon reasonable suspicion that the player's identification has been compromised.~~

Commented [A17]: This conflicts with Appendix S.

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~(5) Licensees who maintain player account funds shall hold these funds at a federally regulated financial institution who does business in our state.~~

~~(6) Player funds held in a sports wagering account shall not be allowed to be transferred from a patron account to another patron account.~~

~~(7) Licensees will not require or advise a player to transfer or maintain sports wagering account funds in order to circumvent or violate any provision or requirement established in any local, state, tribal, or federal ordinances, statutes, administrative rules or court orders.~~

~~(8) Licensees that direct, assist, or manage sports wagering accounts shall provide a conspicuous and readily accessible method for a player to close his or her sports wagering account and any fund balance remaining in a player's closed sports wagering account will be dispersed pursuant to the internal controls of the Class III tribal sports wagering operator.~~

~~(9) Patrons are prohibited from allowing any other patron to access or use their player account.~~

(NEW) WAC 230-17, Proposed Sports Wagering Rules

~~WAC 230-17-xxx Record retention for sports wagering vendors.~~

~~Records retention sports wagering requirements for sports wagering vendors, where applicable, are:~~

~~(1) At least five years for records related to:~~

~~(a) Suspicious wagering activity; and~~

~~(b) unusual wagering activity.~~

~~(2) At least three years after the end of their fiscal year~~

~~for:~~

~~(a) All required accounting records;~~

~~(b) Sales invoices;~~

~~(c) Sales journals; and~~

~~(d) Credit memos.~~

~~(3) At least two years for:~~

~~(a) Data feeds;~~

~~(b) Player account information;~~

~~(c) Mobile wagering account information; and~~

~~(d) Geolocation or geofence information~~

~~4831-6882-6349.3~~



Board of Directors:

Teri Gobin – Chair
Glen Gobin – Vice Chair
Marie Zackuse – Secretary
Pat Contraro – Treasurer
Misty Napeahi. – Council Member
Mel R. Sheldon – Council Member
Hazen Shopbell – Council Member

6406 Marine Dr
Tulalip, WA 98271-9694
360-716-4500
Fax 360-716-0628

The Tulalip Tribes are federally recognized successors in interest to the Snohomish, Snoqualmie, Skykomish, and other allied tribes and bands signatory to the Treaty of Point Elliott.

June 18, 2021

Tina Griffin
Interim Director
WSGC
P.O. Box 42400
Olympia, WA 98504

Bud Sizemore
Chairman
WSGC
P.O. Box 42400
Olympia, WA 98504

Re: Tulalip Tribes Comments on the WSGC Sports Wagering Rules

Dear Director Griffin and Chairman Sizemore,

On behalf of the Tulalip Tribes, we appreciate your work on the proposed Sports Wagering rules discussed at the WSGC public hearing June 10, 2021, and we thank you for opportunity to provide input of the proposal. We also want to express our concerns with the WSGC's proposed language, in what appears to be an attempt to circumvent the carefully negotiated sports wagering compact amendment negotiated between the Tulalip Tribes and the WSGC. The proposed language ignores the co-regulatory relationship between Indian Tribes and the State of Washington under the Indian Regulatory Gaming Act (IGRA) and the Tribal – State Gaming Compacts.

The WSGC is blurring the lines between its role to adopt Sports Wagering rules for the purpose of certifying sports wagering vendors and the general regulation of sports wagering activities on Indian lands, of which the WSGC has no authority to do under its rulemaking process. While the bill confirmed that the Commission had authority to engage in rulemaking to issue licenses to sports wagering vendors, this is a far cry from giving the WSGC rulemaking authority over the activity of sports wagering on Indian lands. Instead, Tribal government gaming in Washington State is conducted pursuant IGRA, tribal-state gaming compacts, tribal gaming ordinances, tribal regulations, and tribal internal controls.

The Tulalip Tribes spent significant tribal resources in government-to-government sports wagering compact negotiations with the WSGC which ultimately led to the Tulalip Tribes Appendix S. Throughout the compact negotiation each party made compromises, and, in many instances, Tulalip negotiated specific language out of the WSGC sports wagering proposal. To

see this same language inserted into this proposal appears like an attempted end-run around our government-to-government compact negotiation, and a loss of Tulalip's bargained-for-exchange.

We provide the following specific comments:

1. WAC 230-03-xxx and WAC 230-06-xxx – Additional information required for sports wagering vendors and Submitting sports wagering related contracts and agreements for review.

- a. Language in these sections that require vendors to provide vendor contracts and agreements to the WSGC and should be stricken. This language was first discussed in the government-to-government sports wagering negotiations. The parties agreed to remove this language based on these negotiations. Information contained in vendor contracts contain proprietary information and should be kept confidential. Even if the section is amended and limited to vendor-to-vendor contracts only, it is untenable for vendors because of its broad interpretation of who must be licensed as a vendor for goods and services. There are also routine modifications and amendments to contracts, a submission of which will be burdensome and create significant administrative challenges. At a minimum, contracts and agreements between vendors and tribal gaming operations should be excluded from this requirement.

2. WAC 230-17 - New Section.

- a. This entire section is problematic and should be deleted in its entirety. Some sections in WAC 230-17 are already addressed in Appendix S and are the tribes', not the vendors', responsibility. Other sections are inconsistent with Appendix S. For example, WAC 230-17-xxx (3) is inconsistent with Appendix S because it states that "All sports wagering kiosks must be tested, approved, and certified by a licensed independent testing laboratory." Pursuant to Appendix S, the tribal regulatory bodies "approve" the kiosks and sports wagering systems, not the independent testing laboratories.

The requirement in proposed rule WAC 230-17-xxx (10) requires that sports wagering system reports be provided, but the submission of sports wagering system reports are already addressed in Appendix S and will be further delineated in our internal controls.

WAC 230-17-xxx (Authorized Sports Wagering Menu) implies that a vendor will be accepting wagers. This is incorrect. The tribal gaming operations will be accepting wagers based on what is approved on the Authorized Sports Wagering Menu as agreed to in Appendix S. This section should be deleted in its entirety.

These examples are by no means exhaustive. We urge the WSGC to delete WAC 230-17 in its entirety for various substantive reasons.

3. WAC 230-05-170. Fees for other businesses.

- a. The Sports Wagering Vendor fees are extremely high. These costs will either be passed down to tribal government gaming operations, or simply prevent vendors from entering the market here in Washington State. We understand and agree that there may be additional costs associated with licensing sports wagering vendors, especially in the initial year. We do not believe, however, that the higher costs associated with the licensing sports wagering vendors in the first year will be representative of the second and third year etc. For this reason, we recommend that the WSGC lower the fees substantially and create a process to charge vendors additional fees to cover the costs should the costs exceed what is collected from the vendors. The WSGC has a loan they can pull from if they need to cover costs on the front-end.

We thank you for taking the time to address our concerns set forth in this letter. We also ask that you review closely other comments by both vendors and tribes, as we share similar concerns. Given the long-standing relationship between the Tulalip Tribes and the WSGC, we are optimistic that our concerns will be addressed. If you have any questions or would like to discuss this matter, please contact Lisa Koop Gunn, Attorney for the Tulalip Tribes.

Thank you,



Teri Gobin,
Tulalip Tribal Chairwoman

Cc:
Brian Considine, Legal and Legislative Manager
Ashlie Laydon, Rules Coordinator
President/COO, Kenneth Kettler
TGA Director, Lance Ledford



June 18, 2021

Bud Sizemore, Chair
Tina Griffin, Interim Director
Washington State Gambling Commission
P.O. Box 42400
Olympia, WA 98504

Dear Bud and Tina:

On behalf of the Washington Indian Gaming Association (WIGA), I write today to offer feedback on the draft sports wagering rules presented at the Washington State Gambling Commission's (WSGC) meeting on Thursday, June 10. To summarize, WIGA is concerned that WSGC's draft rules improperly circumvent our co-regulatory relationship under the gaming compacts via unilateral rulemaking.

Prior to addressing the substance, I first wanted to address the process. The draft rules were made available to a blind copied stakeholder list by Brian Considine on Thursday, May 27. Some tribal staff are presumably on that list; many are not, and I suspect tribal leadership is not. You did not notify the tribal stakeholder list of these same draft rules until a full week later via email from Michelle Rancour. Seeing as that email was received near the close of business on Thursday, June 3, and comments were requested by 8:00 a.m. on Monday, June 7, considering the weekend, tribes really had only one business day to review and comment on the draft rules. I would ask that in the future when rules that affect a tribal gaming matter are issued—and especially when they affect a *tribal only* gaming activity—they really should be discussed through a government to government consultation with an opportunity for meaningful input. At the very least I would hope the draft rules would go to the tribes on the same schedule as other stakeholders.

As to the substance of the draft sports wagering rules, WIGA has several concerns. After a 25-year relationship between WSGC and Washington tribes, I know you understand the scope of the

Indian Gaming Regulatory Act (IGRA). Under IGRA, the co-regulatory relationship between the State of Washington and tribes is governed by the Class III gaming compacts. As fully recognized by section 2 of HB 2638, the operation of sports wagering on tribal lands is a feature of the compacts (which are negotiated between the State and tribes), not a feature of state rule (which is adopted as a unilateral action of the State). I appreciate this is the first time there has been legislation authorizing a tribal only activity, but that does not change the fact that IGRA—and therefore the compacts—are what govern the conduct and operation of the gaming activity.

Although HB 2638 gave WSGC rulemaking authority over licensing (or more appropriately, certification), it did not give WSGC rulemaking authority over tribal gaming activities *conducted on tribal lands*. Who is certified and how they are certified is a proper function of WSGC rules. See HB 2638 at section 3 (authorizing issuance of licenses for manufacturers and sports wagering service providers, and their employees). How those vendors interact with WSGC is also a proper function of the WSGC rules. But, attempting to address issues more appropriate for tribal gaming compacts is not. Therefore, I would respectfully request that draft rule section 230-17 be removed in its entirety. That section is largely a restatement of what is already in compact, and that is where it should stay.

I acknowledge that some sections of HB 2638 give you the authority to track and monitor certain transactions, require certain reports, and the like. But, as I understand it, those conversations were part of the compact negotiations. While Jamestown was not a direct party to those negotiations and I defer to my sister tribes and their experiences, you will likely hear from them directly that they are frustrated that you are taking a second bite of the negotiation apple by requiring certain reports and documents *by rule* that you had already agreed would be handled *by compact* and internal controls. I'm sure you can understand that this makes the negotiating tribes feel like what they thought was a fair compromise was really an underhanded way of getting the results WSGC wanted by rule instead. If you think you need a hook to take some kind of negative licensing actions against our vendors for their failure to follow the compacts, you can simply include a catchall provision in your rules that says that. That is far more effective, efficient, and appropriate than restating our compacts in your rules.

And finally, and I'm sure unsurprising to you, I take great issue with the proposed licensing fee structure. Sports wagering is another game being added to tribes' current offerings. Relative to our other forms of gaming, it will be a minor financial addition. However, the proposed fee for the major vendors is more than three times what our TLS vendors currently pay. As you likely recall from our conversations around the fee simplification project some years ago, excessive vendor certification fees lead to one of two outcomes: (1) the fee is passed on to the tribes, looking a lot like an unlawful tax on tribes and tribal gaming, or (2) the fee is not passed on to the tribes, and as some vendors have already pointed out, might dissuade vendors from participating in the Washington market at all. This is especially true here, for an on-premises only game, and even truer at smaller properties like 7 Cedars. I would encourage you to approach sports wagering vendors the same way you have approached other gaming vendors in the past: a more appropriate fee combined with special investigative fees as needed to address unique costs of investigating certain vendors. Here you are in an even better position because you can draw on the \$6 million cushion the loan provides you.

Under HB 2638, legal sports wagering will occur only in Indian country. The compacts govern sports wagering in Indian country. Therefore, much of what you are trying to accomplish in draft rule section 230-17 seems at worst, improper, and at best, unnecessary.

Very truly yours,

A handwritten signature in black ink that reads "W. Ron Allen". The signature is written in a cursive style with a large, sweeping initial "W" and a long, horizontal flourish at the end.

W. Ron Allen
Chairman, Washington Indian Gaming Association
Chairman, Jamestown S'Klallam Indian Tribe

Cc: Brian Considine, Legal and Legislative Manager
Ashlie Laydon, Rules Coordinator



Staff Proposed Rule-Making

WAC 230-03-210- Applying for a gambling service supplier license.

November 2021 - Discussion

October 2021 – Discussion & Possible Filing

January 2020/July 2020 – Initiated Rule-Making

Tab 8: NOVEMBER 2021 Commission Meeting Agenda. **Statutory Authority 9.46.070**

Who Proposed the Rule Change?

Washington State Gambling Commission Staff

Background

BOLD= Changes made after October 2021 Commission Meeting.

In 2020, Commissioners initiated rule-making to amend and adopt rules for both electronic raffles and sports wagering.

Sports Wagering

In July 2021, you chose to take final action on rules to address licensing and regulation, and licensing fees consistent with the Gambling Act and recently negotiated tribal-state sports wagering compact amendments. As part of these compact amendments, sports wagering systems need to be tested and certified by an independent testing lab to ensure they meet or exceed GLI-33 standards and provisions outlined in Compact and Appendices. Independent Testing Labs must be licensed by both the Tribe(s) and the Gambling Commission. We do this through a gambling service supplier license, and therefore WAC 230-03-210, Applying for a gambling service supplier license, must be amended to include performing the testing and certification of sports wagering systems as a service requiring a gambling service supplier license.

Electronic Raffles

WAC 230-11-305- Electronic raffle systems, is before you today for final action. This rule requires an independent testing lab, licensed by us, to perform testing and certification of electronic raffle systems to ensure the system meets or exceeds GLI-31 and complies with Washington gambling laws and rules before the electronic raffle system will be authorized to be brought into this state. Therefore, amending WAC 230-03-210, Applying for a gambling service supplier license, to include performing the testing and certification of gambling equipment as required by Title 230 WAC will cover the testing of electronic raffle systems and any future gambling equipment we may require certification by an independent testing lab.

Attachments:

- WAC 230-03-210
- Stakeholder Feedback

At the October 2021 public meeting, Commissioners chose to file draft language for further discussion. Language was filed with the Office of the Code Reviser on October 19, 2021 to be published in the Washington State Register (issue 21-21-093) and was posted on the agency website.

Stakeholder Outreach and Feedback

Draft language was sent out on September 9, 2021 to independent testing labs who hold a license in this state and to tribal stakeholders. Feedback was received from:

- Derek Smith, BMM Testlabs
- James Luccarelli, Gaming Laboratories International
- Judy Mihelcic, Eclipse Compliance Testing
- Steve Bolz, Suquamish Tribal Gaming Commission (verbal)

Feedback received was either supportive of the proposed changes or was seeking clarification on whether the proposed changes would require independent testing labs to obtain a new license to perform these addition services. Existing gambling service supplier licenses will cover these services. Independent testing labs will not need to obtain a sports wagering vendor license unless they are providing services listed in WAC 230-03-229, WAC 230-03-231, or WAC 230-03-233.

No additional comments have been received.

Staff Recommendation

Discussion only.

WAC 230-03-210 Applying for a gambling service supplier license.

(1) You must apply for a gambling service supplier license if you perform any of the following gambling-related services for compensation:

(a) Consulting or advisory services regarding gambling activities; or

(b) Gambling management services; or

(c) Financing for more than one licensee for purchases or leases of gambling equipment or financing for providing infrastructure or facilities, or equipment that supports gambling operations:

(i) Once you have financed more than one licensee, you must be a licensed gambling service supplier until all loans with licensees or previous licensees are paid; or

(ii) Once you have been a licensed gambling service supplier, you must be licensed as a gambling service supplier again before financing purchases or leases for any licensee; or

(d) Acting as a lending agent, or loan servicer, or placement agent; or

(e) Providing the assembly of components for gambling equipment under a contract with a licensed manufacturer or entering into an ongoing financial arrangement for gambling related software with a licensed manufacturer; or

(f) Installing, integrating, maintaining, or servicing digital surveillance systems that allow direct access to the operating system; or

(g) Training individuals to conduct authorized gambling activities; or

(h) Providing any other service or activity where influence may be exerted over any gambling activity licensed by the commission; or

(i) Performing the testing and certification of tribal lottery systems and sports wagering systems in meeting requirements specified in ~~((the))~~ tribal-state compact; or

(j) Performing the testing and certification of gambling equipment as required by Title 230 WAC; or

(k) Providing nonmanagement-related recordkeeping or storage services for punch board and pull-tab operators, when the combined total gross billings from such services exceed ~~((thirty thousand dollars))~~ \$30,000 during any permit period or license year.

(2) You do not need a gambling service supplier license if you are:

(a) A bank, mutual savings bank, or credit union regulated by the department of financial institutions or any federally regulated commercial lending institution; or

(b) A university or college regulated by the Washington state board of community and technical colleges and the higher education coordinating board that trains individuals to conduct authorized gambling activities; or

(c) An attorney, accountant, or governmental affairs consultant whose primary business is providing professional services that are unrelated to the management or operation of gambling activities; or

(d) A person who only provides nonmanagement-related recordkeeping or storage services for punch board and pull-tab operators, when the combined total gross billings from such services do not exceed ~~((thirty thousand dollars))~~ \$30,000 during any permit period; or

(e) A person who provides names, images, artwork or associated copyrights, or trademarks, or patent use, or other features that do not affect the results or outcome of the game, for use in gambling equipment; or

(f) Regulated lending institutions; or

(g) A licensed distributor who provides any of the following services for compensation:

(i) Training to licensed and potential punch board/pull-tab operators; or

(ii) Providing assistance to gambling license applicants or licensees seeking gambling license renewal.

Stakeholder Feedback

From: [Derek Smith](#)
To: [Laydon, Ashlie \(GMB\)](#)
Subject: RE: Proposed changes to WAC 230-03-210
Date: Thursday, September 9, 2021 5:32:19 PM
Attachments: [image003.png](#)
[image005.png](#)

External Email

Greeting Ashlie!

I hope you've been well. Our internal team here at BMM shared your email below with the draft. It looks fairly straight-forward, but did raise a question. Will this addition of sports wagering systems testing be appended to existing licenses or will an action be required to include this in our scope of testing?

On a separate but related note, would it be possible to include my BMM email (Derek.Smith@BMM.com) for these distributions? I assume SciGames requested you remove my SG email (derek.smith@scientificgames.com) after my departure. If not, please feel free to do so.

Thanks much,
Derek Smith | VP, Technical Compliance
BMM Testlabs | t: +1 702 407 2420 x1017 | m: +1 775 247 8290
derek.smith@bmm.com | www.bmm.com

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From: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>
Sent: Thursday, September 9, 2021 9:51 AM
Cc: Rancour, Michelle (GMB) <michelle.rancour@wsgc.wa.gov>; LaMont, Jennifer (GMB) <jennifer.lamont@wsgc.wa.gov>
Subject: Proposed changes to WAC 230-03-210

Good morning,

The Gambling Commission is considering amending WAC 230-03-210- Applying for a gambling service supplier license, to include performing testing and certification of sports wagering systems and other gambling equipment as required by Title 230 WAC, such as electronic raffle systems, as gambling-related services requiring a service supplier license.

Please review the proposed changes (attached) and submit feedback to ashlie.laydon@wsgc.wa.gov

by close of business on Friday, September 17, 2021. Feel free to contact me 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

☎ (360) 486-3473 | ✉ ashlie.laydon@wsgc.wa.gov



Washington State
GAMBLING
COMMISSION

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



From: [James Luccarelli](#)
To: [Laydon, Ashlie \(GMB\)](#)
Cc: [Diana Golda](#)
Subject: Proposed changes to WAC 230-03-210
Date: Wednesday, September 15, 2021 11:43:15 AM

External Email

Hello Ashlie,

Thank you for reaching out to GLI regarding the proposed amendment. We have reviewed the proposed changes and have no concerns with the revised language and intent for licensing. I have included Diana Golda, our Senior Director of Regulatory Compliance on this email in the event further action or support with respect to licensing is needed from GLI now or in the near future.

“The Gambling Commission is considering amending WAC 230-03-210- Applying for a gambling service supplier license, to include performing testing and certification of sports wagering systems and other gambling equipment as required by Title 230 WAC, such as electronic raffle systems, as gambling-related services requiring a service supplier license.

Please review the proposed changes (attached) and submit feedback to ashlie.laydon@wsgc.wa.gov by close of business on Friday, September 17, 2021. Feel free to contact me if you have any questions.”

(i) Performing the testing and certification of tribal lottery systems and sports wagering systems in meeting requirements specified in tribal-state compact; or

(j) Performing the testing and certification of gambling equipment as required by Title 230 WAC; or

Thank you,
Jim

James Luccarelli
Sr. Manager Technical Compliance

www.gaminglabs.com

o 732-942-3999 EXT 1223

d 732-719-1351

c 908-814-0011

e j.luccarelli@gaminglabs.com



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From: [Judy](#)
To: [Laydon, Ashlie \(GMB\)](#)
Subject: RE: Proposed changes to WAC 230-03-210
Date: Monday, September 13, 2021 6:15:42 AM
Attachments: [image009.png](#)
[image011.png](#)

External Email

Dear Ashlie:

We have reviewed the proposed changes to WAC 230-03-210 and see no issue with the amended language. Additionally we look forward to serving the testing needs for Sports Wagering Systems and Gambling Equipment in addition to the testing that we have been providing for many years.

Sincerely,

Judith Mihelcic

Office Administrator

(440) 914-TEST (8378)

JudyM@eclipsetesting.com

www.EclipseTesting.com

eclipse Compliance Testing

6401 Davis Industrial Parkway

Solon, Ohio 44139



Integrity, Impartiality & Independence

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From: Laydon, Ashlie (GMB) [mailto:ashlie.laydon@wsgc.wa.gov]
Sent: Thursday, September 09, 2021 12:51 PM
Cc: Rancour, Michelle (GMB); LaMont, Jennifer (GMB)
Subject: Proposed changes to WAC 230-03-210

Good morning,

The Gambling Commission is considering amending WAC 230-03-210- Applying for a gambling service supplier license, to include performing testing and certification of sports wagering systems and other gambling equipment as required by Title 230 WAC, such as electronic raffle systems, as gambling-related services requiring a service supplier license.

Please review the proposed changes (attached) and submit feedback to ashlie.laydon@wsgc.wa.gov by close of business on Friday, September 17, 2021. Feel free to contact me 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
☎ (360) 486-3473 | ✉ ashlie.laydon@wsgc.wa.gov





Rule Petition to Amend/Adopt
WAC 230-15-050- Minimum cash on hand requirements.

November 2021 - Discussion
October 2021 – Discussion & Possible Filing
August 2021 – Commission Review
May 2021 – Rule-Making Petition Received

Tab 9: NOVEMBER 2021 Commission Meeting Agenda.

Statutory Authority 9.46.070

Who Proposed the Rule Change?

Ann Huysmans, Galaxy Gaming, Inc. from Las Vegas, Nevada

Background

BOLD = Changes made after October 2021 Commission Meeting.

At the August 2021 public meeting, Commissioners accepted a petition and chose to initiate rule-making to address minimum cash on hand requirements, including keeping jackpot money in a separate, off-site bank account rather than on the premises. **At the October 2021 public meeting, Commissioners chose to file draft language for further discussion. Language was filed with the Office of the Code Reviser on October 18, 2021 to be published in the Washington State Register (issue 21-21-092) and was posted on the agency website.**

Ann Huysmans, of Galaxy Gaming Inc., Las Vegas, Nevada, is proposing to amend WAC 230-15-050, Minimum cash on hand requirements, to allow operators who are running house-banked jackpots to keep the required jackpot money in a separate, off-site bank account rather than on the premises.

The petitioner feels this change is needed because operators have expressed security concerns associated with keeping large sums of money on the premises.

The petitioner feels the effect of this rule change would reduce the risk of burglaries, theft, misappropriation of funds associated with having large sums of cash on the premises. The petitioner feels that this rule change would allow for increased accountability and tracking of funds as financial institutions are heavily regulated and maintain numerous records for various regulators, both at the federal and state level.

Attachments:

- Petition
- WAC 230-15-050 (AMENDED)
- WAC 230-15-673 (NEW)
- WAC 230-15-674 (NEW)
- Stakeholder Feedback

Policy Considerations

Staff recognizes the petitioner's safety concerns for card rooms and for players leaving card rooms with large sums of money on their persons.

Staff has policy concerns with the petitioner's approach in the original petition because the rule change would not apply to the petitioner, but card room licensees and the request does not appropriately address how card room licensees would maintain reserve funds and pay out prizes.

Staff has discussed their concerns with the petitioner and believes the agency can draft new rules to address how licensees will maintain funds and pay out prizes should this petition be accepted. However, it would be good to hear from card room licensees to determine if they believe this rule change is needed.

Staff worked with the petitioner to address these concerns.

Stakeholder Feedback

Staff worked with the petitioner on draft language to address staff's concerns on how licensees will maintain funds and pay out prizes. Draft language was sent to the petitioner for review on September 8, 2021 and to licensed house-banked card rooms for review on September 10, 2021 with a request for feedback by September 22, 2021. Feedback was received from the following stakeholders in support of the draft language:

- Ann Huysmans, Galaxy Gaming
- Dave Magee, Hawks Prairie Casino
- Vernon West, Roxy's Bar & Grill

No additional feedback has been received.

Staff Recommendation

Discussion only.

Laydon, Ashlie (GMB)

From: dan.heisel@watech.wa.gov on behalf of WSGC Web <no.reply@wsgc.wa.gov>
Sent: Thursday, May 20, 2021 3:42 PM
To: Rules Coordinator (GMB)
Subject: Request a Rule Change Submission from wsgc.wa.gov

External Email

Submitted on Thursday, May 20, 2021 - 3:42pm Submitted by anonymous user: 24.120.171.202 Submitted values are:

Petitioner's Name: Galaxy Gaming, Inc.

Mailing Address: 6480 Cameron Street, Suite 305

City: Las Vegas

State: Nevada

Zip Code: 89118

Phone: 7029393254

Email: ahuysmans@galaxygaming.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: 230-15-050

I am requesting the following change:

Requesting to change Rule 230-15-050 (2) to be in line with Rule 230-15-455 (2)(a)(i).

Specifically, so the operator who is running a house-banked jackpot is allowed to keep the required jackpot money in a separate off-site bank account rather than on the premises.

This change is needed because: Operators have expressed security concerns associated with the large jackpot sums being kept on the card room premises.

The effect of this rule change will be:

Reduced risk of burglaries, theft, misappropriation of funds associated with having large cash sums on the premises.

Increased accountability and tracking of funds as the financial institutions are heavily regulated and maintain numerous records for various regulators both at the federal and state level.

The results of this submission may be viewed at:

<https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.wsgc.wa.gov%2Fnode%2F18%2Fsubmission%2F2454&data=04%7C01%7Crules.coordinator%40wsgc.wa.gov%7C439394f12dc54401612908d91be08387%7C11d0e217264e400a8ba057dcc127d72d%7C0%7C0%7C637571473367379260%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzliLCJBTiI6IjEhaWwiLCJXVCi6Mn0%3D%7C1000&sd=TAB6YZGSzYL7nJhkRHj9kSEHpA11RkpQ%2F9YekHzEk%2FU%3D&reserved=0>

WAC 230-15-050 Minimum cash on hand requirements. (1) Card game licensees must have sufficient cash on hand to redeem all chips issued for play and pay out all prizes.

(2) Within three hours of opening for the business day, at a time included in the internal controls, house-banked card game licensees must have at least the following minimum amount of cash on premises in their cage, safe, and vault combined:

(a) One thousand dollars for each house-banked table on the gambling floor; plus

(b) The amount of the largest single prize available excluding progressive jackpot, player-supported jackpot, and house jackpot prizes (~~(when WAC rules require a deposit into a separate bank account (for example, player-supported jackpots and progressive jackpots))~~).

For example: If a house-banked card room has ~~((fifteen))~~ 15 house-banked tables and a largest single prize of ~~((twenty-three thousand dollars))~~ \$23,000, before opening, the cage must have at least ~~((thirty-eight thousand dollars))~~ \$38,000 on hand: 15 tables x \$1,000 = \$15,000 + largest single prize of \$23,000 = \$38,000.

(3) Except for the restrictions on player-supported jackpot pay outs in WAC 230-15-405 and progressive jackpot pay outs in WAC 230-15-690, licensees may pay prizes by check if sufficient funds are available on deposit.

(4) Failure to keep funds to cash in chips, pay prizes, or redeem gambling related checks is prima facie evidence of fraud. Meeting the minimum cage cash amount does not relieve the licensee from the requirement to have sufficient funds available to redeem all chips and pay out all prizes.

NEW SECTION

WAC 230-15-673 Paying out house jackpot prizes. (1) House-banked card room licensees must immediately pay out verified prizes of \$5,000 or less.

(2) For verified prizes over \$5,000, licensees must immediately pay out a minimum of \$5,000 and pay the remaining balance within 24 hours by check. The player may request that the licensee pay up to the entire prize balance by check. Licensees must then issue a check for the entire prize balance within 24 hours.

NEW SECTION

WAC 230-15-674 Keeping funds to pay house jackpot prizes. House-banked card room licensees must maintain at least the amount of the single largest house jackpot prize offered in a bank, mutual savings bank, or credit union located in Washington. Licensees must maintain a monthly record showing the daily amount of each house jackpot prize offered.

Stakeholder Feedback

From: [Ann Huysmans](#)
To: [Laydon, Ashlie \(GMB\)](#); [Gary Saul](#)
Cc: [Dolson, Sonja \(GMB\)](#); [Lohse, Jess \(GMB\)](#); [Lane, Brian \(GMB\)](#)
Subject: RE: Proposed Changes to Minimum Cash on Hand Requirements
Date: Tuesday, September 14, 2021 10:59:52 AM
Attachments: [image003.png](#)
[image005.png](#)
[Proposed Changes; Minimum cash on hand requirements.docx](#)

External Email

Hello,

My apologies for the late response – we appreciate the preview of the proposed changes and we do not have any questions or concerns with the proposed changes. We appreciate your work our request and are looking forward to the October 14 public meeting.

Any questions/concerns, please reach out.

Thank you,

Ann Huysmans

Gaming Compliance Officer

6480 Cameron Street, Suite 305 | Las Vegas | NV 89118

compliance@galaxygaming.com

ahuysmans@galaxygaming.com

Main: (702) 939.3254

Direct: (702) 479.1334

Fax: (702) 727.4727

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

Sent: Wednesday, September 8, 2021 1:58 PM

To: Ann Huysmans <ahuysmans@GalaxyGaming.com>; Gary Saul <gsaul@GalaxyGaming.com>

Cc: Dolson, Sonja (GMB) <sonja.dolson@wsgc.wa.gov>; Lohse, Jess (GMB) <jess.lohse@wsgc.wa.gov>; Lane, Brian (GMB) <brian.lane@wsgc.wa.gov>

Subject: Proposed Changes to Minimum Cash on Hand Requirements

Good afternoon,

Attached is draft language for your review. I plan to send this out to HBCR licensees this week, for their review as well, but wanted to give you a chance to review it first as the petitioner. Please let

me know if you have any concerns. We will be discussing this at our staff meeting on September 29th in preparation to present to Commissioners at their October 14th public meeting. I'll ask licensees to submit feedback by close of business on September 22, 2021. Let me know if you have any questions or if you would like to discuss this further.

Thank you,

Ashlie Laydon

Rules Coordinator | Legal and Records Division

Washington State Gambling Commission

P.O. Box 42400 | Olympia, WA 98504-2400

☎ (360) 486-3473 | ✉ ashlie.laydon@wsgc.wa.gov



From: [Dave Magee](#)
To: [Laydon, Ashlie \(GMB\)](#)
Subject: RE: WSGC Proposed changes to minimum cash on hand requirements
Date: Thursday, September 23, 2021 12:59:57 PM
Attachments: [image003.png](#)
[image005.png](#)

External Email

We absolutely should be able to keep the promotion money in a bank account to gain interest but more importantly because we don't want to keep potentially huge amounts of cash in the cashiers cage whether insured or not. We have very limited security guards and no matter how many we have we will not try to stop an armed robber.

Dave Magee
Hawks Prairie Casino
General Manager
8318 Quinault DR NE
Lacey WA 98516
360-528-8888

From: Laydon, Ashlie (GMB) [mailto:ashlie.laydon@wsgc.wa.gov]
Sent: Thursday, September 23, 2021 12:12 PM
To: 'Dave Magee' <dmagee@hawksprairiecasino.com>
Subject: RE: WSGC Proposed changes to minimum cash on hand requirements

Dave,

Absolutely. Do you have any feedback or concerns with this proposal?

Thank you,

Ashlie

From: Dave Magee <dmagee@hawksprairiecasino.com>
Sent: Thursday, September 23, 2021 11:19 AM
To: Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov>
Subject: FW: WSGC Proposed changes to minimum cash on hand requirements

External Email

Ashlie, I have not been getting your emails regarding rule changes will you please add me to your mailing list? Thank you.

Dave Magee
Hawks Prairie Casino
General Manager
8318 Quinault DR NE
Lacey WA 98516
360-528-8888

From: Kim Charles [<mailto:kcharles@hawksprairiecasino.com>]
Sent: Wednesday, September 22, 2021 8:08 PM
To: Carol <cstanley@hawksprairiecasino.com>
Cc: Dave <dmagee@hawksprairiecasino.com>; kcharles@hawksprairiecasino.com
Subject: FW: WSGC Proposed changes to minimum cash on hand requirements

I came to work today because I wanted to make sure my emails were cleaned up before my return to work on Sunday. So glad I did there was 311 emails I had to go through and either delete or file.

I noticed this and it doesn't appear that I forwarded it to you. It reads PROPOSED and I haven't had the chance to check the website yet to see if it's officially changed.

Kim

From: Laydon, Ashlie (GMB) [<mailto:ashlie.laydon@wsgc.wa.gov>]
Sent: Friday, September 10, 2021 1:57 PM
Cc: 'Ann Huysmans'; 'Gary Saul'; Lane, Brian (GMB); Lohse, Jess (GMB); Dolson, Sonja (GMB)
Subject: WSGC Proposed changes to minimum cash on hand requirements



Good afternoon,

The Gambling Commission accepted the attached petition and chose to initiate rule-making to consider amending rules pertaining to minimum cash on hand requirements, including how licensees will maintain funds and pay out prizes. Attached is draft language for your review. Please submit written feedback to ashlie.laydon@wsgc.wa.gov or through our [website](#) by close of business on Wednesday, September 22, 2021.

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
 (360) 486-3473 |  ashlie.laydon@wsgc.wa.gov



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From: [Vernon West](#)
To: [Laydon, Ashlie \(GMB\)](#)
Cc: [Jerry Howe](#)
Subject: Cash on hand requirements proposed changes
Date: Tuesday, September 14, 2021 12:29:27 PM

External Email

Hi Ashlie.

I strongly agree with the proposed changes as written and urge the Commission to adopt them in the next possible meeting.

Thank you for reaching out to me.



STATE OF WASHINGTON
GAMBLING COMMISSION

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

November 16, 2021

TO: COMMISSIONERS:
Bud Sizemore, Chair
Julia Patterson, Vice Chair
Sarah Lawson
Alicia Levy
Kristine Reeves

FROM: Adam Teal, Acting Legal Manager
Legal and Records Division

SUBJECT: Marcus A. Smith, CR 2020-01067
Final Order – November 16, 2021 Commission Meeting

Marcus Smith had a gambling license authorizing Public Card Room Employee activity; that license is not currently linked to an employer. His license expired on September 15, 2021.

A WSGC Staff Member, while processing licensee Marcus Smith's renewal application, discovered that Smith had a pending criminal charge which was not disclosed in his application. A WSGC Special Agent ordered certified copies of the discovered case, King County Superior Court Case No. 20-1-00881-4 SEA. Those pleadings outlined that Smith was being charged with Rape in the Third Degree, a crime involving physical harm to another. According to the Affidavit of Probable Cause, Smith performed oral sex on the victim in spite of her asking him not to. Afterwards, Smith asked the alleged victim to perform a sexual act on him, when she refused, Smith forced his penis into the victim's vagina. To date, the criminal charges are still pending.

Former Director Trujillo issued Smith a Notice of Administrative Charges and corresponding Summary Suspension Notice on September 16, 2020; Smith was personally served with the documents on September 18, 2020. Smith filed a Request for a Stay Hearing and Request for Administrative Hearing on October 1, 2020. Smith's Request to Stay his Suspension was heard, and subsequently denied on October 21, 2020. Smith then failed to appear at a scheduled Prehearing Conference on May 25, 2021. The Office of Administrative Hearings issued an Order Dismissing Smith's Appeal on May 26, 2021, outlining Smith's options for appeal. To date, the Commission has received neither a Petition to Reinstate or Petition for Review from Smith, which were to be filed by June 2, 2021 or June 15, 2021 respectively.

Marcus Smith's failure to file a timely Petition to Reinstate or Petition for Review is a waiver of Smith's right to a hearing in Case No. CR 2020-01067. You may take final action against his gambling license. Smith failed to disclose a pending criminal charge of Rape in the third Degree, a crime involving harm to another. In doing so, Smith is in violation of RCW 9.46.075(1), (7), (8) and (9) and WAC 230-03-085(1), (8), and 9(a) and (b). Based on his conduct, Smith cannot show by clear and convincing evidence that he is qualified to keep his gambling license. Therefore, staff recommends that the Commission sign the proposed final order and revoke Marcus Smith's Public Card Room Employee license, Number 68-33290.

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5
6 **STATE OF WASHINGTON
GAMBLING COMMISSION**

7 In the Matter of:

NO. CR 2020-01067

8
9 **MARCUS A SMITH,**
License No. 68-33290,

**FINAL ORDER OF THE
GAMBLING COMMISSION**

10
11 _____
Licensee.

12 This matter having come before the Washington State Gambling Commission
13 (Commission) on November 16, 2021, the Commission makes the following Findings of Fact,
14 Conclusions of Law, and issues its Final Order:

15 **I. FINDINGS OF FACT**

16 1. The Washington State Gambling Commission issued Marcus Smith License No.
17 68-33290 authorizing Public Card Room Employee activity; Smith's license is not currently
18 linked to a House-Banked Card Room.

19 2. This license, which expired on September 15, 2021, was issued subject to Smith's
20 compliance with state gambling laws and Commission rules.

21 3. Smith has been licensed since 2013.

22 4. As part of the licensing renewal process, a WSGC Staff Member ran a routine
23 criminal history check of Marcus Smith through the Judicial Access Brower System (JABS)¹.

24
25
26 _____
¹ JABS is a program run by the Washington State Court System that keeps a record of court actions occurring throughout Washington State's Municipal, District, and Superior Courts.

1 5. The Staff Member discovered that Smith had a criminal charge of Rape in the
2 Third Degree pending in King County Superior Court. Upon discovering the pending charges,
3 a WSGC Special Agent was assigned to further investigate the charges.

4 6. The Special Agent requested, and eventually received certified copies of the court
5 documents filed for the case, King County Superior Court Case No. 20-1-00881-4 SEA, which
6 was filed on March 5, 2020.

7 7. A review of the pleadings shows that sometime in December 2017 or early
8 January 2018, a female coworker at Royal Casino invited Smith over to her place. The female
9 coworker had just gotten off from her second job around 4 a.m.

10 8. While the two had “made out” in the past, the alleged victim made clear to Smith
11 that the two would only watch television together. Smith started to “cuddle” the woman, and
12 Smith began trying to touch her over her jeans.

13 9. The woman told Smith that she wanted him to “calm down” and stop trying to
14 grope her. Smith continued, and eventually removed the woman’s pants. Smith eventually
15 performed oral sex on the woman. After this, Smith asked the woman to “do something” for
16 him, she refused.

17 10. Smith continued pressuring the woman, taking his pants off, and putting a
18 condom on himself. Smith told her, “this is happening whether you want it to or not.” Smith
19 eventually penetrated the woman and ejaculated into the condom. Smith left the home soon
20 thereafter.

21 11. When interviewed by the police, the woman showed a screenshot of text
22 messages between Smith and her. The woman had texted to Smith that “If we hang I will have
23 no say in what happens sexually”, and that as a result, “this is done.” Smith responded, “I
24 understand... I shall not bother yu any longer than[sic]. It was fun, though.”

25 12. King County Superior Court Case No. 20-1-00881-4 is still pending.
26

1 13. Former Director David Trujillo issued administrative charges on September 16,
2 2020 alleging that Smith's actions constituted a violation of RCW 9.46.075(1), (7), (8) and (9)
3 and WAC 230-06-085. Further, that Smith could not show by clear and convincing evidence that
4 he was qualified for licensure as required by RCW 9.46.153(1), and that his actions warranted
5 revocation of his license pursuant to RCW 9.46.075(1), (7), (8) and (9) and WAC 230-03-085(1),
6 (8), and (9)(a) and (b).

7 14. Smith was personally served with the Notice of Charges and Summary
8 Suspension Notice on September 18, 2020.

9 15. Smith filed a Request for a Stay Hearing and Request for Administrative Hearing
10 on October 1, 2020. As a result, the Office of Administrative Hearings (OAH) issued Smith a
11 case number and a Stay Hearing was scheduled for October 21, 2020.

12 16. On October 21, 2020, OAH conducted a Stay Hearing regarding the Summary
13 Suspension of Smith's gambling license. At that hearing, Administrative Law Judge Joni
14 Derifield denied Smith's Request to Stay the Summary Suspension of his license.

15 17. Following the issuance of the Initial Order Denying Stay, Smith was issued a
16 Notice of Prehearing Conference, scheduling a hearing date of May 25, 2021.

17 18. Smith failed to appear at the scheduled prehearing conference. As a result, OAH
18 issued an Order Dismissing Appeal-Default on May 26, 2021. That Order notified Smith that to
19 challenge the issuance of said Order, Smith must either file a Petition to Reinstate within seven
20 days (June 2, 2021), or file a Petition for Review within twenty days (June 15, 2021).

21 19. To date, Smith has not filed either a Petition to Reinstate or Petition for Review
22 in response to the Order Dismissing Appeal. Pursuant to WAC 230-17-090, a Petition was
23 required to be received by the Commission by June 15, 2021.

1 **II. CONCLUSIONS OF LAW**

2 1. Marcus Smith received proper Order Dismissing Appeal within three days of
3 May 26, 2021 via regular and certified mail, pursuant to RCW 34.05.413 RCW 34.05.434, WAC
4 230-17-005, WAC 230-17-010, and WAC 10-08-130.

5 2. Marcus Smith failed to file either a timely Petition to Reinstate or a timely
6 Petition for Review within the time outlined in the Order, pursuant to RCW 34.05.464, WAC
7 230-17-090, and WAC 10-08-211.

8 3. The Commission can take final action against Marcus Smith’s gambling license
9 under Case Number CR 2020-01067 pursuant to RCW 9.46.075, RCW 34.05.440(1), RCW
10 34.05.461, and WAC 230-03-085.

11 4. Marcus Smith’s license should be revoked under Case Number CR 2020-01067
12 pursuant to RCW 9.46.075, RCW 9.46.153(1), RCW 34.05.440(1), RCW 34.05.461, and WAC
13 230-03-085.

14 **III. ORDER**

15 This matter having come before the Commission at its November 16, 2021, Commission
16 meeting, the Commissioners having heard arguments, been given the chance to review the
17 administrative record, and being fully advised in this matter, now therefore:

18 It is hereby **ORDERED** that Marcus Smith’s gambling license, Number 68-33290, is
19 **REVOKED.**
20 DATED this 16th day of November, 2021.

21
22 _____
BUD SIZEMORE, Chair

_____ JULIA PATTERSON, Vice Chair

23
24 _____
ALICIA LEVY

_____ KRISTINE REEVES

25
26 _____
SARAH LAWSON
FINAL ORDER OF THE
GAMBLING COMMISSION

1 **NOTICE**

2 Reconsideration: RCW 34.05.470 and WAC 230-17-140 provide that a party may file a
3 petition for reconsideration of a final order. A petition for reconsideration must be received no
4 later than thirteen (13) days after the date this final order is mailed. Any motion for
5 reconsideration must state the specific grounds supporting the party's request for
6 reconsideration.

7 Stay of Final Order: Filing for reconsideration does not stay the effectiveness of this
8 Order. WAC 230-17-145 provides that a party may petition the Commission for a stay of a final
9 order. Any petition for a stay should be received by the Commission within thirteen (13) days
10 after the date this final order is mailed.

11 Judicial Review: RCW 34.05.542 provides that a party may appeal this final order by
12 filing a petition for judicial review within thirty (30) days after service of this order. A petition
13 for judicial review must be filed with the appropriate superior court and served upon both the
14 Commission and the Office of the Attorney General.

15 Service: This Order was served on you three days after it was deposited in the United
16 States Postal Service regular mail, excluding the date of mailing. WAC 230-17-035.

17 Any motions or petitions for judicial review should be served on or mailed to:

18 Washington State Gambling Commission
19 Legal and Records Division
20 4565 7th Avenue S.E., Lacey, WA
21 P.O. Box 42400
Olympia, WA 98504-2400

Doug Van de Brake
Attorney General's Office
1135 Washington St. SE
P.O. Box 40100
Olympia, WA 98504-0100

CERTIFICATE OF SERVICE

I certify that on the date below I served a copy of the foregoing document on all parties and/or their counsel by United States Postal Service regular mail to the following:

MARCUS A SMITH
1116 NW 54TH ST UNIT 106
SEATTLE WA 98107

EXECUTED this ____ day of November, 2021, at Lacey, Washington.

Ashlie Laydon
Rules Coordinator

**WASHINGTON STATE
OFFICE OF ADMINISTRATIVE HEARINGS**

In the matter of:

Marcus Smith,

Appellant.

Docket No. 04-2021-GMB-00178

ORDER DISMISSING APPEAL

Agency: Gambling Commission

Program: Washington State Gambling Commission

Agency No. 2020-01067

PREHEARING CONFERENCE

The Office of Administrative Hearings (OAH) mailed proper notice to the parties on April 23, 2021. Administrative Law Judge Dan Gerard convened the prehearing conference on Tuesday, May 25, 2021 at 11:00 AM. The Appellant, Marcus A. Smith, did not appear. At 11:20 AM when no one appeared on behalf of Marcus A. Smith, Gambling Commission moved for a default order.

CONCLUSIONS OF LAW

"If a party fails to attend or participate in a hearing or other stage of an adjudicative proceeding, the presiding officer may serve upon all parties a default or other dispositive order, which shall include a statement of the grounds for the order."¹ In this case, Marcus A. Smith was properly served with the Notice of Prehearing Conference set for Tuesday, May 25, 2021, and failed to attend and participate. Consequently, Marcus A. Smith is in default and the administrative appeal should be dismissed.

ORDER

Now, therefore, it is ORDERED:

1. Marcus A. Smith is in default under RCW 34.05.440 and its administrative appeal is hereby **DISMISSED**.

SERVED on the date of mailing.



Dan Gerard
Administrative Law Judge
Office of Administrative Hearings

¹ RCW 34.05.440(2).

CERTIFICATE OF SERVICE ATTACHED

PETITION TO REINSTATE

A party may file a request to have this order vacated by mailing a petition to reinstate hearing to:

The Office of Administrative Hearings
949 Market Street, Suite 500
Tacoma, WA 98402

The petition to reinstate hearing must set forth the grounds for vacating the order and must be received within seven (7) days of the date of service of this order. A copy shall be mailed to the Gambling Commission, and to the Assistant Attorney General of record, at the address in the Certificate of Mailing below.

If you do not timely file a petition to reinstate hearing as described above, this Order of Default shall become the Initial Order in this matter.

PETITION FOR REVIEW

Any party to this proceeding may file a Petition for Review of this initial order. The written petition for review must be mailed to the Washington State Gambling Commission at:

Washington State Gambling Commission
PO Box 42400
Olympia, WA 98504

The petition for review must be received by the Commission within twenty (20) days from the date this initial order was mailed to the parties.² A copy of the petition for review must be sent to all parties of record. The petition for review must specify the portions of the initial order with which the party disagrees, and must refer to the evidence in the record which supports the party's position. The other party's reply must be received at the address above, and served on all parties of record, within thirty (30) days from the date the petition for review was mailed.

Any party may file a cross appeal. Parties must file cross appeals with the Washington State Gambling Commission within ten days of the date the petition for review was filed with the Washington State Gambling Commission. Copies of the petition or cross appeal must be served on all other parties or their representatives at the time the petition or appeal is filed.

² WAC 230-17-090.

CERTIFICATE OF SERVICE FOR OAH DOCKET NO.04-2021-GMB-00178 04-2021-GMB-00178

I certify that true copies of this document were served from Tacoma, Washington via Consolidated Mail Services upon the following as indicated:

<p>Marcus A. Smith 1116 NW 54th St. Apt 106 Seattle, WA 98107 Appellant</p>	<p><input checked="" type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Campus Mail <input type="checkbox"/> E-mail:</p>
<p>Doug Van de Brake, AAG Office of the Attorney General MS: 40100 PO Box 40100 Olympia, WA 98504 Agency Representative</p>	<p><input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Campus Mail <input checked="" type="checkbox"/> E-mail: doug.vandebrake@atg.wa.gov Jordan.nimon@atg.wa.gov GCEEF@atg.wa.gov</p>
<p>Ashlie Laydon Washington State Gambling Commission MS: 42400 PO Box 42400 Olympia, WA 98504 Agency Contact</p>	<p><input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Campus Mail <input checked="" type="checkbox"/> E-mail: ashlie.laydon@wsgc.wa.gov</p>

Date: Wednesday, May 26, 2021

OFFICE OF ADMINISTRATIVE HEARINGS



Shawntá Williams
Legal Assistant 2

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6 **STATE OF WASHINGTON**
7 **GAMBLING COMMISSION**

8 In the Matter of the Summary Suspension
9 of the License to Operate Gambling
10 Activities of:

NO. CR 2020-01067

11 Marcus A Smith,
12 Seattle, Washington

SUMMARY SUSPENSION
ORDER

13 License No. 68-33290,

14 Licensee.

15 The Washington State Gambling Commission (Commission), through David Trujillo,
16 Director, having reviewed the materials in the above-referenced case now hereby enters the
17 following Findings of Fact, Conclusions of Law and Order of Summary Suspension pursuant to
18 RCW 9.46.070(2) and WAC 230-17-165.

19 **I. FINDINGS OF FACT**

20 1. The Washington State Gambling Commission issued Marcus Smith License
21 Number 68-33290, authorizing Card Room Employee activity at Royal Casino in Everett,
22 Washington location. This license expires on September 15, 2021.

23 2. Marcus Smith is subject to all state gambling laws and Commission rules at all
24 times after receiving its gambling license.

25 3. The Director reviewed copies of the following attached documents:
26

- a. A copy of Special Agent Donna Khanhasa's Case Report for CR 2020-01067;
- b. A copy of Marcus Smith's Defendant Case History;
- c. A copy of the Case Information Sheet for King County Superior Court Case No. 20-1-00881-4 SEA;
- d. A copy of the Certification for Determination of Probable Cause for King County Superior Court Case No. 20-1-00881-4 SEA;

4. The above documents establish that:

- a. Marcus Smith violated the requirements imposed by Chapter 9.46 RCW when he had a criminal action filed against him for Rape in the Third Degree, a crime involving physical harm to another individual. Smith failed to report this criminal action to the WSGC within thirty days, as required by WAC 230-06-085(1).

5. The information and documents identified above establish that Marcus Smith is unable to comply with the Washington State Gambling Act and/or the Gambling Commission's rules and regulations.

II. CONCLUSIONS OF LAW

1. The Washington State Gambling Act, contained in Chapter 9.46 RCW, and the duly promulgated Revised Rules and Regulations of the Board, contained in Title 230 WAC, were created to keep the criminal element out of gambling and for the protection of the safety and welfare of the people of the state of Washington through strict regulation and control. *See* RCW 9.46.010.

2. Pursuant to RCW 9.46.070(2), RCW 34.05.479, and WAC 230-17-165(2), the Director is authorized to summarily suspend licenses, subject to final action by the Commission, when a licensee's actions pose a threat to public health, safety, or welfare.

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5 **STATE OF WASHINGTON**
6 **GAMBLING COMMISSION**

7 In the Matter of:

NO. CR 2020-01067

8 **MARCUS A SMITH**
9 License No. 68-33290,

NOTICE OF ADMINISTRATIVE
CHARGES

10
11 _____
Licensee.

12 These administrative charges are brought under and in accordance with Chapter 9.46
13 RCW, the Washington State Gambling Act, Chapter 34.05 RCW, the Administrative
14 Procedure Act, and Title 230 WAC, Rules adopted by the Gambling Commission.

15 **I. LICENSE**

16 1. The Washington State Gambling Commission (WSGC) issued Marcus Smith a
17 gambling license, License No. 68-33290, authorizing Card Room Employee activity at the
18 Royal Casino in Everett, Washington.

19 2. This license, which expires on September 15, 2021, was issued subject to
20 Smith's compliance with state gambling laws and Commission rules.

21 **II. FACTUAL BACKGROUND**

22 1. As part of the licensing renewal process, a WSGC Staff Member ran a routine
23 criminal history check of Marcus Smith through the Judicial Access Brower System (JABS)¹.

24
25
26 _____
¹ JABS is a program run by the Washington State Court System that keeps a record of court actions occurring throughout Washington State's Municipal, District, and Superior Courts.

1 2. The Staff Member discovered that Smith had a criminal charge of Rape in the
2 Third Degree pending in King County Superior Court. Upon discovering the pending charges,
3 a WSGC Special Agent was assigned to further investigate the charges.

4 3. The Special Agent requested, and eventually received certified copies of the
5 court documents filed for the case, King County Superior Court Case No. 20-1-00881-4 SEA,
6 which was filed on March 5, 2020.

7 4. A review of the pleadings shows that sometime in December 2017 or early
8 January 2018, a female coworker at Royal Casino invited Smith over to her place. The female
9 coworker had just gotten off from her second job around 4 a.m.

10 5. While the two had “made out” in the past, the alleged victim made clear to
11 Smith that the two would only watch television together. Smith started to “cuddle” the woman,
12 and Smith began trying to touch her over her jeans.

13 6. The woman told Smith that she wanted him to “calm down” and stop trying to
14 grope her. Smith continued, and eventually removed the woman’s pants. Smith eventually
15 performed oral sex on the woman. After this, Smith asked the woman to “do something” for
16 him, she refused.

17 7. Smith continued pressuring the woman, taking his pants off, and putting a
18 condom on himself. Smith told her, “this is happening whether you want it to or not.” Smith
19 eventually penetrated the woman and ejaculated into the condom. Smith left the home soon
20 thereafter.

21 8. When interviewed by the police, the woman showed a screenshot of text
22 messages between Smith and her. The woman had texted to Smith that “If we hang I will have
23 no say in what happens sexually”, and that as a result, “this is done.” Smith responded, “I
24 understand... I shall not bother yu any longer than[sic]. It was fun, though.”

25 9. King County Superior Court Case No. 20-1-00881-4 is still pending. As of
26 August 31, 2020, Smith has yet to report his pending criminal action to the WSGC.

1 **III. BASIS FOR REVOCATION**

2 1. Marcus Smith violated the requirements imposed by Chapter 9.46 RCW when
3 he had a criminal action filed against him for Rape in the Third Degree, a crime involving
4 physical harm to another individual. Smith failed to report this criminal action to the WSGC
5 within thirty days, as required by WAC 230-06-085(1).

6 2. Marcus Smith has failed to comply with the provisions, requirements,
7 conditions, limitations or duties imposed by the Gambling Act, which is grounds to revoke a
8 license under RCW 9.46.075(1), (7), (8), and (9).

9 3. Marcus Smith has failed to prove by clear and convincing evidence
10 that he is qualified for licensure, as required by RCW 9.46.153(1).

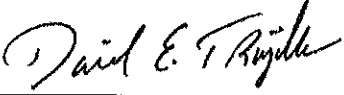
11 4. The Commission is authorized to revoke Marcus Smith's Card Room Employee
12 license pursuant to RCW 9.46.075(1), (7), (8), and (9), RCW 9.46.153(1), and WAC 230-03-
13 085(1), (8), and (9)(a) and (b).

14 **IV. REVOCATION**

15 1. The above-referenced findings are a sufficient basis for revocation of Marcus
16 Smith's Card Room Employee license.

17 2. Based on the facts and violations referenced above, the penalty for Marcus
18 Smith's actions is **REVOCATION** of his Card Room Employee license.

19 I have read this Notice of Administrative Charges, know the contents of it, believe it to
20 be true, and have executed this Notice in my capacity as Director of the Washington State
21 Gambling Commission.

22 
23 _____
24 DAVID TRUJILLO, DIRECTOR
25 Washington State Gambling Commission

26 09/16/2020
Date



STATE OF WASHINGTON
GAMBLING COMMISSION

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

November 16, 2021

TO: COMMISSIONERS:
Bud Sizemore, Chair
Julia Patterson, Vice Chair
Sarah Lawson
Alicia Levy
Kristine Reeves

FROM: Adam Teal, Acting Legal Manager
Legal and Records Division

SUBJECT: Konthea Chum, CR 2021-00047
Final Order – November 16, 2021 Commission Meeting

Konthea Chum has a gambling license authorizing Public Card Room Employee activity at Great American Casino in Lakewood, Washington. Her license expires on November 21, 2022.

On November 4, 2019, the WSGC received an anonymous complaint alleging that multiple licensees were playing a Chinese card game for money on a nightly basis. According to the complainant, the parties would pass around a tin on every hand played and were required to pay a tip to the "house" in order to be dealt a hand. In an interview with a WSGC Special Agent, Chum admitted to playing in the games, and acknowledged that she was aware the games were illegal. Chum noted that she learned that the games were illegal from her training to become a CRE.

Former Director Trujillo issued Chum a Notice of Administrative Charges on February 12, 2021, and in response Chum filed a Request for Hearing on March 10, 2021. As a result, Chum was assigned a case in front of the Office of Administrative Hearings as well as a Notice of Prehearing Conference. Chum attended three separate Prehearing Conferences in front of OAH until a Hearing Date of September 3, 2021 was scheduled. Chum failed to appear at the hearing, and as a result an Order Dismissing Appeal was issued by OAH on September 3, 2021, outlining Chum's options for appeal. To date, the Commission has received neither a Petition to Reinstate or Petition for Review from Chum, which were to be filed by September 10, 2021 or September 23, 2021 respectively.

Konthea Chum's failure to file a timely Petition to Reinstate or Petition for Review is a waiver of Chum's right to a hearing in Case No. CR 2021-00047. You may take final action against her gambling license. Chum knowingly participated in illegal and unlicensed card games. In doing so, Chum is in violation of RCW 9.46.221, RCW 9.46.160, RCW 9.46.075(1), (2), and (8), and WAC 230-03-085(1), (3), and (9)(d) and (e). Based on her conduct, Chum cannot show by clear and convincing evidence that she is qualified to keep her gambling license. Therefore, staff recommends that the Commission sign the proposed final order and revoke Konthea Chum's Public Card Room Employee license, Number 68-03941.

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**STATE OF WASHINGTON
GAMBLING COMMISSION**

In the Matter of:

NO. CR 2021-00047

KONTHEA CHUM,
License No. 68-03941,

FINAL ORDER OF THE
GAMBLING COMMISSION

Licensee.

This matter having come before the Washington State Gambling Commission (Commission) on November 16, 2021, the Commission makes the following Findings of Fact, Conclusions of Law, and issues its Final Order:

I. FINDINGS OF FACT

1. The Washington State Gambling Commission issued Konthea Chum License No. 68-03941 authorizing Public Card Room Employee activity at Great American Casino in Lakewood, Washington.

2. This license, which expires on November 21, 2021, was issued subject to Chum’s compliance with state gambling laws and Commission rules.

3. Chum has been licensed since 1997.

4. On November 4, 2019, a WSGC Special Agent received an anonymous complaint regarding an illegal gambling operation. According to the complainant nearly every night a group of people, primarily public card room and tribal casino employees, played a Chinese card game where they “bought in” for each hand and paid tips to the renter of the apartment located in Tacoma.

1 5. From this initial contact until September 30, 2020, the Agent communicated with
2 the complainant via text message. Through these conversations, the Agent learned that the
3 players sit on the ground, putting money into a red tin for “tips.” When a new hand is dealt,
4 players put a chip into the red tin; if they do not pay with a chip, they are not dealt cards.

5 6. According to the complainant, the resident of the apartment keeps all chips and
6 cash in the tin in order to pay for food that is provided. The players then make separate wagers
7 amongst themselves. The complainant provided the Agent with numerous pictures of the games
8 being played, identifying each person found in the photos.

9 7. During the ongoing discussion with the Agent, the complainant also voiced
10 concerns about the games going on while COVID-19 mandates were in effect. According to the
11 complainant, players were not wearing their required masks, and were often in groups larger
12 than 14 people in the apartment.

13 8. The complainant notified the Agent that the original location, 3707 East E St. #3
14 in Tacoma, Washington was no longer being used for the games. Instead, the games were being
15 held on a regular basis at a new Tacoma address, 7416 Golden Gives Road E #09. Upon
16 receiving this information, the Agent began performing surveillance at this location.

17 9. On March 26, 2020, the Agent observed two vehicles arrive at the apartment in
18 question. One car, a silver Mercedes with the Washington license plate BOY9146, contained a
19 man and a woman who both exited the vehicle and entered apartment #09. The vehicle is
20 registered to WSGC licensee Samnang Chuab, who the Agent was able to identify as the man
21 exiting the vehicle using pictures from the complainant. The Agent was able to identify the
22 woman as his wife, Konthea Chum, a licensed card room employee.

23 10. On March 31, 2020 the Agent performed surveillance on the property. The entire
24 time that he was surveilling the property, the Agent observed the vehicle registered to Chuab
25 parked in the apartment complex’s parking lot.
26

1 11. On April 2, 2020, while surveilling the property, the Agent observed the vehicle
2 registered to Chuab arrive and park in front of the apartment. This time, a woman, later identified
3 in a photograph taken that day as Chum, was driving the vehicle with an older man riding in the
4 passenger’s seat. The two took items out of the vehicle and brought them into the apartment
5 building.

6 12. On April 3, 2020, while performing surveillance on the property, the Agent
7 observed the vehicle registered to Chuab arrive. The Agent was able to take pictures of the
8 parties exiting the vehicle and entering apartment #09. Using the photographs, the Agent was
9 able to positively identify both Chuab and Chum.

10 13. On April 16, 2020, the Agent again surveilled the property. On this date, he was
11 able to identify the vehicle registered to Chuab parked in the apartment complex parking lot.
12 The Agent continued to surveil the property over time, although the subjects of the investigation
13 were not observed at every attempt.

14 14. On December 17, 2020 the Agent attempted to call the subjects of the
15 investigation using the phone numbers listed in the WSGC’s internal computer system. The
16 Agent was unable to reach Chum through her listed phone number. Eventually, another Agent
17 was able to find Chum’s current number through Emerald Queen Casino.

18 15. On January 7, 2021, Chum met with the Agent at the WSGC’s Federal Way
19 office. Chum acknowledged that she and her husband played in the regular games for fun with
20 friends. Chum was only able to identify the tenants of the apartment as “mama” and her husband.
21 Chum did not identify any of the other players in the game aside from her husband.

22 16. Chum contradicted the complainant, saying there was no buy in to get cards.
23 They would, however, “tip” “mama” to buy food and drinks for the game. Chum claimed she
24 only played in the games on her days off, but stopped playing once she went back to work.

25 17. Chum acknowledged that she knew the games were illegal. She learned that such
26 games were illegal when she took the class to become a licensed card room employee. In spite

1 of that, she continued to play because “mama” was sick with cancer, and the games made her
2 happy.

3 18. Former Director David Trujillo issued administrative charges on February 10,
4 2021 alleging that Chum’s actions constituted a violation of RCW 9.46.221, 9.46.160. Further,
5 that Chum could not show by clear and convincing evidence that she was qualified for licensure
6 as required by RCW 9.46.153(1), and that her actions warranted revocation of her license
7 pursuant to RCW 9.46.075(1), (2) and (8), and WAC 230-03-085(1), (3), and (9)(d) and (e).

8 19. Chum was sent the charges by regular and certified mail on February 12, 2021 to
9 the last address the Gambling Commission had on file.

10 20. Chum filed a Request for Hearing on March 12, 2021. As a result, Chum was
11 issued a case number with the Office of Administrative Hearings (OAH), and a Prehearing
12 Conference was scheduled.

13 21. Chum appeared for three separate scheduled conferences in front of OAH, the
14 last of which scheduled a Hearing date of September 3, 2021.

15 22. Chum failed to appear at the Hearing, and as a Result, OAH issued an Order
16 Dismissing Appeal-Default to Chum on September 3, 2021. That Order notified Chum that to
17 challenge the issuance of said Order, Chum must either file a Petition to Reinstate within seven
18 days (September 10, 2021), or file a Petition for Review within twenty days (September 23,
19 2021).

20 23. To date, Chum has not filed either a Petition to Reinstate or Petition for Review
21 in response to the Order Dismissing Appeal. Pursuant to WAC 230-17-090, a Petition was
22 required to be received by the Commission by September 23, 2021.

23 II. CONCLUSIONS OF LAW

24 1. Konthea Chum received proper Order Dismissing Appeal within three days of
25 September 3, 2021 via regular and certified mail, pursuant to RCW 34.05.413 RCW 34.05.434,
26 WAC 230-17-005, WAC 230-17-010, and WAC 10-08-130.

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NOTICE

Reconsideration: RCW 34.05.470 and WAC 230-17-140 provide that a party may file a petition for reconsideration of a final order. A petition for reconsideration must be received no later than thirteen (13) days after the date this final order is mailed. Any motion for reconsideration must state the specific grounds supporting the party's request for reconsideration.

Stay of Final Order: Filing for reconsideration does not stay the effectiveness of this Order. WAC 230-17-145 provides that a party may petition the Commission for a stay of a final order. Any petition for a stay should be received by the Commission within thirteen (13) days after the date this final order is mailed.

Judicial Review: RCW 34.05.542 provides that a party may appeal this final order by filing a petition for judicial review within thirty (30) days after service of this order. A petition for judicial review must be filed with the appropriate superior court and served upon both the Commission and the Office of the Attorney General.

Service: This Order was served on you three days after it was deposited in the United States Postal Service regular mail, excluding the date of mailing. WAC 230-17-035.

Any motions or petitions for judicial review should be served on or mailed to:

Washington State Gambling Commission
Legal and Records Division
4565 7th Avenue S.E., Lacey, WA
P.O. Box 42400
Olympia, WA 98504-2400

Doug Van de Brake
Attorney General's Office
1135 Washington St. SE
P.O. Box 40100
Olympia, WA 98504-0100

CERTIFICATE OF SERVICE

I certify that on the date below I served a copy of the foregoing document on all parties and/or their counsel by United States Postal Service regular mail to the following:

KONTHEA CHUM
6810 E J ST
TACOMA WA 98404

EXECUTED this ____ day of November, 2021, at Lacey, Washington.

Ashlie Laydon
Rules Coordinator

**WASHINGTON STATE
OFFICE OF ADMINISTRATIVE HEARINGS**

In the matter of:

Konthea Chum,

Appellant.

Docket No. 03-2021-GMB-00175

ORDER DISMISSING APPEAL-DEFAULT

Agency: Gambling Commission

Program: Washington State Gambling Commission

Agency No. 2021-00047

Language Access Notice

English

This document has important information about your hearing. If you do not appear or take other action, you could lose important rights. Please call 1-800-845-8830 if you need help understanding this document.

Cambodian or Khmer

ឯកសារនេះមានព័ត៌មានសំខាន់ៗអំពីសវនាការរបស់អ្នក។ ប្រសិនបើអ្នកមិនបង្ហាញខ្លួន ឬចាត់វិធានការផ្សេងទៀតទេ អ្នកអាចបាត់បង់សិទ្ធិសំខាន់ៗ។ សូមទូរស័ព្ទទៅ 1-800-845-8830 ប្រសិនបើអ្នកត្រូវការជំនួយក្នុងការស្វែងយល់អំពីឯកសារនេះ។

PREHEARING CONFERENCE

The Office of Administrative Hearings (OAH) mailed proper notice to the parties on April 8, 2021. Administrative Law Judge Laura Bradley convened the hearing on Friday, September 3, 2021 at 9:20 AM. The Appellant, Konthea Chum, did not appear. At 9:20 AM when no one appeared on behalf of Konthea Chum, Gambling Commission moved for a default order.

CONCLUSIONS OF LAW

“If a party fails to attend or participate in a hearing or other stage of an adjudicative proceeding The presiding officer may serve upon all parties a default or other dispositive order, which shall include a statement of the grounds for the order.”¹ In this case, Konthea Chum was properly served with the Notice of Hearing set for Friday, September 3, 2021, and failed to attend and participate. Consequently, Konthea Chum is in default and the administrative appeal should be dismissed.

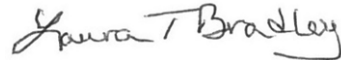
¹ RCW 34.05.440(2).

ORDER

Now, therefore, it is ORDERED:

1. Konthea Chum is in default under RCW 34.05.440 and its administrative appeal is hereby **DISMISSED**.

SERVED on the date of mailing.



Laura Bradley
Administrative Law Judge
Office of Administrative Hearings

CERTIFICATE OF SERVICE ATTACHED

PETITION TO REINSTATE

A party may file a request to have this order vacated by mailing a petition to reinstate hearing to:

The Office of Administrative Hearings
949 Market Street, Suite 500
Tacoma, WA 98402

The petition to reinstate hearing must set forth the grounds for vacating the order and must be received within seven (7) days of the date of service of this order. A copy shall be mailed to the Gambling Commission, and to the Assistant Attorney General of record, at the address in the Certificate of Mailing below.

If you do not timely file a petition to reinstate hearing as described above, this Order of Default shall become the Initial Order in this matter.

PETITION FOR REVIEW

Any party to this proceeding may file a Petition for Review of this initial order. The written petition for review must be mailed to the Washington State Gambling Commission at:

Washington State Gambling Commission
PO Box 42400
Olympia, WA 98504

The petition for review must be received by the Commission within twenty (20) days from the date this initial order was mailed to the parties.² A copy of the petition for review must be sent to all parties of record. The petition for review must specify the portions of the initial order with which the party disagrees, and must refer to the evidence in the record which supports the party's position. The other party's reply must be received at the address above, and served on all parties of record, within thirty (30) days from the date the petition for review was mailed.

Any party may file a cross appeal. Parties must file cross appeals with the Washington State Gambling Commission within ten days of the date the petition for review was filed with the Washington State Gambling Commission. Copies of the petition or cross appeal must be served on all other parties or their representatives at the time the petition or appeal is filed.

² WAC 230-17-090.

CERTIFICATE OF SERVICE FOR OAH DOCKET NO. 03-2021-GMB-00175

I certify that true copies of this document were served from Tacoma, Washington via Consolidated Mail Services upon the following as indicated:

<p>Konthea Chum 6810 E J St Tacoma, WA 98404 Appellant</p>	<p><input checked="" type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Campus Mail <input type="checkbox"/> Facsimile <input type="checkbox"/> E-mail:</p>
<p>Doug Van de Brake, AAG Office of the Attorney General MS:40100 PO Box 40100 Olympia, WA 98504 Agency Representative</p>	<p><input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Campus Mail <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> E-mail: Doug.VandeBrake@atg.wa.gov Tina.bert@atg.wa.gov GCEEF@atg.wa.gov</p>
<p>Ashlie Laydon Washington State Gambling Commission MS: 42400 PO Box 42400 Olympia, WA 98504 Agency Contact</p>	<p><input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Campus Mail <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> E-mail: ashlie.laydon@wsgc.wa.gov</p>

Date: Friday, September 3, 2021

OFFICE OF ADMINISTRATIVE HEARINGS



Shawntá Williams
Legal Assistant 2

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**STATE OF WASHINGTON
GAMBLING COMMISSION**

In the Matter of:

NO. CR 2021-00047

KONTHEA CHUM
License No. 68-03941

NOTICE OF ADMINISTRATIVE
CHARGES

Licensee.

These administrative charges are brought under and in accordance with Chapter 9.46 RCW, the Washington State Gambling Act, Chapter 34.05 RCW, the Administrative Procedure Act, and Title 230 WAC, Rules adopted by the Gambling Commission.

I. LICENSE

1. The Washington State Gambling Commission (WSGC) issued Licensee Konthea Chum a gambling license, License No. 68-03941, authorizing Public Card Room Employee activity at Great American Casino in Lakewood, Washington.

2. This license, which expires on November 21, 2021, was issued subject to Chum's compliance with state gambling laws and Commission rules.

II. FACTUAL BACKGROUND

1. On November 4, 2019, a WSGC Special Agent received an anonymous complaint regarding an illegal gambling operation. According to the complainant nearly every night a group of people, primarily public card room and tribal casino employees, played a Chinese card game where they "bought in" for each hand and paid tips to the renter of the apartment located in Tacoma.

1 2. From this initial contact until September 30, 2020, the Agent communicated
2 with the complainant via text message. Through these conversations, the Agent learned that
3 the players sit on the ground, putting money into a red tin for “tips.” When a new hand is dealt,
4 players put a chip into the red tin; if they do not pay with a chip, they are not dealt cards.

5 3. According to the complainant, the resident of the apartment keeps all chips and
6 cash in the tin in order to pay for food that is provided. The players then make separate wagers
7 amongst themselves. The complainant provided the Agent with numerous pictures of the
8 games being played, identifying each person found in the photos.

9 4. During the ongoing discussion with the Agent, the complainant also voiced
10 concerns about the games going on while COVID-19 mandates were in effect. According to
11 the complainant, players were not wearing their required masks, and were often in groups
12 larger than 14 people in the apartment.

13 5. The complainant notified the Agent that the original location, 3707 East E St.
14 #3 in Tacoma, Washington was no longer being used for the games. Instead, the games were
15 being held on a regular basis at a new Tacoma address, 7416 Golden Gives Road E #09. Upon
16 receiving this information, the Agent began performing surveillance at this location.

17 6. On March 26, 2020, the Agent observed two vehicles arrive at the apartment in
18 question. One car, a silver Mercedes with the Washington license plate BOY9146, contained
19 a man and a woman who both exited the vehicle and entered apartment #09. The vehicle is
20 registered to WSGC licensee Samnang Chuab, who the Agent was able to identify as the man
21 exiting the vehicle using pictures from the complainant. The Agent was able to identify the
22 woman as his wife, Konthea Chum, a licensed card room employee.

23 7. On March 31, 2020 the Agent performed surveillance on the property. The
24 entire time that he was surveilling the property, the Agent observed the vehicle registered to
25 Chuab parked in the apartment complex’s parking lot.
26

1 8. On April 2, 2020, while surveilling the property, the Agent observed the vehicle
2 registered to Chuab arrive and park in front of the apartment. This time, a woman, later
3 identified in a photograph taken that day as Chum, was driving the vehicle with an older man
4 riding in the passenger's seat. The two took items out of the vehicle and brought them into the
5 apartment building.

6 9. On April 3, 2020, while performing surveillance on the property, the Agent
7 observed the vehicle registered to Chuab arrive. The Agent was able to take pictures of the
8 parties exiting the vehicle and entering apartment #09. Using the photographs, the Agent was
9 able to positively identify both Chuab and Chum.

10 10. On April 16, 2020, the Agent again surveilled the property. On this date, he
11 was able to identify the vehicle registered to Chuab parked in the apartment complex parking
12 lot. The Agent continued to surveil the property over time, although the subjects of the
13 investigation were not observed at every attempt.

14 11. On December 17, 2020 the Agent attempted to call the subjects of the
15 investigation using the phone numbers listed in the WSGC's internal computer system. The
16 Agent was unable to reach Chum through her listed phone number. Eventually, another Agent
17 was able to find Chum's current number through Emerald Queen Casino.

18 12. On January 7, 2021, Chum met with the Agent at the WSGC's Federal Way
19 office. Chum acknowledged that she and her husband played in the regular games for fun with
20 friends. Chum was only able to identify the tenants of the apartment as "mama" and her
21 husband. Chum did not identify any of the other players in the game aside from her husband.

22 13. Chum contradicted the complainant, saying there was no buy in to get cards.
23 They would, however, "tip" "mama" to buy food and drinks for the game. Chum claimed she
24 only played in the games on her days off, but stopped playing once she went back to work.

25 14. Chum acknowledged that she knew the games were illegal. She learned that
26 such games were illegal when she took the class to become a licensed card room employee. In

1 spite of that, she continued to play because "mama" was sick with cancer, and the games made
2 her happy.

3 **III. BASIS FOR REVOCATION**

4 1. By regularly playing in unlicensed and illegal card games, Konthea Chum
5 engaged in professional gambling by engaging in conduct which materially aids any form of
6 gambling activity and by paying a fee to participate in a card game. In doing so, Chum is in
7 violation of RCW 9.46.221, Professional Gambling in the Second Degree, defined by RCW
8 9.46.0269(1)(a) and (b).

9 2. By participating in the unlicensed and illegal card games, Konthea Chum was
10 conducting an activity for which a license is required, without the required license issued by
11 the WSGC. In doing so, Chum is in violation of RCW 9.46.160

12 3. Konthea Chum has failed to prove by clear and convincing evidence that she is
13 qualified for licensure, as required by RCW 9.46.153(1).

14 4. The Commission is authorized to revoke Konthea Chum's Public Card Room
15 Employee license pursuant to RCW 9.46.075(1), (2), and (8), RCW 9.46.153(1), and WAC
16 230-03-085(1), (3), and (9)(d) and (e).

17 **IV. REVOCATION**

18 1. The above-referenced findings are a sufficient basis for revocation of Konthea
19 Chum's Public Card Room Employee License.

20 2. Based on the facts and violations referenced above, the penalty for Konthea
21 Chum's actions is **REVOCATION** of her Public Card Room Employee License.

22 I have read this Notice of Administrative Charges, know the contents of it, believe it to
23 be true, and have executed this Notice in my capacity as Director of the Washington State
24 Gambling Commission.

25 *David Trujillo*

2/10/2021

26 DAVID TRUJILLO, DIRECTOR
Washington State Gambling Commission

Date

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HEARING NOTICE

You have the opportunity to request a hearing to contest the Commission’s decision to revoke your public card room employee license. To request a hearing and/or discuss settlement options, the Commission must receive the enclosed hearing request form within 23 days from date of our mailing identified below. ***Failure to return the enclosed hearing request will result in a default order revoking your license.***

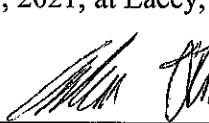
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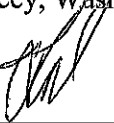
CERTIFICATE OF SERVICE

I certify that on the date below I served a copy of the foregoing document on all parties or their counsel by United States Postal Service regular and certified mail to the following:

KONTHEA CHUM
6810 E 'J' ST
TACOMA WA 98404

EXECUTED this 2th day of February, 2021, at Lacey, Washington.


Ashlie Laydon
Rules-Coordinator


ADAM TEAZ
STAFF ATTORNEY



**STATE OF WASHINGTON
GAMBLING COMMISSION**

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

November 16, 2021

TO: COMMISSIONERS:
Bud Sizemore, Chair
Julia Patterson, Vice Chair
Sarah Lawson
Alicia Levy
Kristine Reeves

FROM: Adam Teal, Acting Legal Manager
Legal and Records Division

SUBJECT: Miao J. Li, CR 2021-00310
Final Order – November 16, 2021 Commission Meeting

Miao Li has a gambling certification authorizing Class III Employee activity for the Muckleshoot Tribe of Indians. Her certification expires on February 1, 2022.

The WSGC began an investigation to determine whether Miao Li was still qualified for her Class III certification upon receiving notice that she was facing pending criminal charges. The Special Agent assigned to the case ordered certified copies of all relevant pleadings in Li's case, King County Superior Court Case 19-1-00517-0 KNT. Those documents outlined that Li was one of multiple parties being charged with violating the Uniformed Controlled Substances Act, a class C felony. The facts outlined in the Certification for Determination of Probable Cause allege that Li was the owner of four homes, and at least two vehicles, that were part of an illegal marijuana growing operation. To date, Li's criminal case is still pending.

Former Director Trujillo issued Li a Notice of Administrative Charges on March 29, 2021, by regular and certified mail to her last known address on file. Li filed a Request for Hearing on April 21, 2021. That case was in front of the Office of Administrative Hearings (OAH) until September 10, 2021, when Li requested her appeal be withdrawn. As a result, OAH issued an Order Dismissing Li's Appeal on September 14, 2021.

Miao Li's request to withdraw her Request for Hearing in front of OAH is a waiver of Li's right to a hearing in Case No. CR 2021-00310. You may take final action against her gambling certification. Li is currently charged with Violating the Uniformed Controlled Substance Act, a felony crime involving moral turpitude. As a result, Li is in violation of WAC 230-03-085, which allows the WSGC to take final action against her gambling certification. Based on her conduct, Li cannot show by clear and convincing evidence that she is qualified to keep her gambling certification. Therefore, staff recommends Class III Employee certification, Number 69-24640.

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6 **STATE OF WASHINGTON
GAMBLING COMMISSION**

7 In the Matter of:

NO. CR 2021-00310

8 MIAO J LI,
9 License No. 69-24640,

FINAL ORDER OF THE
GAMBLING COMMISSION

10
11 Class III Employee.

12 This matter having come before the Washington State Gambling Commission
13 (Commission) on November 16, 2021, the Commission makes the following Findings of Fact,
14 Conclusions of Law, and issues its Final Order:

15 **I. FINDINGS OF FACT**

16 1. The Washington State Gambling Commission issued Miao J. Li certification No.
17 69-24640 authorizing Class III Employee activity for the Muckleshoot Tribe of Indians.

18 2. This license, which expires on February 1, 2022, was issued subject to Li's
19 compliance with state gambling laws and Commission rules in accordance with the Muckleshoot
20 Tribal-State Gaming Compact.

21 3. Li has held this certification since 2007.

22 4. On October 21, 2019, the WSGC received a letter from attorney Steven W. Kim
23 notifying the agency that his client, Class III Certification holder Miao Li, was facing criminal
24 prosecution. According to the letter, Li received notice on October 3, 2019 that she was being
25 charged with one count of Violation of the Uniform Controlled Substance Act (VUCSA) by the
26 King County Prosecutor's Office.

FINAL ORDER OF THE
GAMBLING COMMISSION

1 5. Upon receiving the notice, a WSGC Special Agent was assigned to investigate
2 whether or not Li remained qualified to hold her Class III certification. As part of this
3 investigation, the Agent requested certified copies of the pleadings from Li's criminal case.

4 6. On November 8, 2019, the Agent received the certified copies, and began
5 reviewing them. The Information and Probable Cause for the case, King County Superior Court
6 case number 19-1-00517-0 KNT, showed that Li was being charged with VUSCA, a class C
7 felony in Washington.

8 7. The articulated basis for the charge was that Li and four co-defendants unlawfully
9 and feloniously manufactured marijuana. The parties were growing marijuana in various
10 residential homes, and transporting it away from the homes for sale. Li is the owner of four of
11 the homes alleged to being used for growing, and the owner of at least two vehicles associated
12 with the grow operation.

13 8. On December 5, 2019, the Muckleshoot Tribal Gaming Agency (MTGA) sent the
14 WSGC a copy of a letter they had issued to Li regarding her Class IIIA license. The letter stated
15 that following a hearing, the MTGA "ruled in favor of reinstating your Class IIIA License,
16 pending the outcome of your recent felony charges filed in the King county Superior Court."
17 The letter continued, "This is also dependent on the Washington State Gambling Commission's
18 final decision regarding your recent felony charges. Should the WSGC seek revocation of your
19 Class IIIA Gaming License, and revoke in the future. The Muckleshoot Gaming Commission
20 will also seek revocation."

21 9. Since that letter was issued, Li's VUSCA case has been continued multiple times
22 for months at a time. The MTGA submitted a Personnel Termination Notice in August 2020,
23 but subsequently relinked her since her certification was not scheduled to expire until February
24 1, 2021.

25 10. On March 2, 2021, the Agent spoke with a member of the MTGA staff to inform
26 them that while the WSGC is renewing Li's certification, it would also be moving forward with

1 a revocation case. This is due to the ongoing nature of the criminal case, and the violation that
2 is being alleged.

3 11. Former Director Dave Trujillo issued administrative charges on March 29, 2021
4 alleging that Li's actions constituted a violation of RCW 9.46.075(1) and (8) and WAC 230-03-
5 085. Further, that Li could not show by clear and convincing evidence that she was qualified for
6 certification as required by RCW 9.46.153(1), and that her actions warranted revocation of her
7 certification pursuant to RCW 9.46.075(1) and (8), WAC 230-03-085, and Section V.C.(1) of
8 the Muckleshoot Tribal-State Gaming Compact.

9 12. Li was sent the charges by regular and certified mail on March 29, 2021 to the
10 last address the Gambling Commission had on file.

11 13. Li filed a Request for Administrative Hearing on April 21, 2021, opening a case
12 in front of the Office of Administrative Hearings (OAH). On September 10, 2021, while at a
13 hearing in front of OAH, Li requested that her Request be withdrawn. As a result, OAH issued
14 an Order Dismissing Li's Appeal on September 14, 2021.

15 II. CONCLUSIONS OF LAW

16 1. Miao Li received proper notice of the charges within three days of March 29,
17 2021 via regular and certified mail, pursuant to RCW 34.05.413 RCW 34.05.434, WAC 230-17-
18 005, WAC 230-17-010, and WAC 10-08-130.

19 2. The Commission can take final action against Miao Li's gambling certification
20 under Case Number CR 2021-00310 pursuant to RCW 9.46.075, RCW 34.05.440(1), RCW
21 34.05.461, WAC 230-03-085, and Section V.C.(1) of the Muckleshoot Tribal-State Gaming
22 Compact.

23 3. Miao Li's certification should be revoked under Case Number CR 2021-00310
24 pursuant to RCW 9.46.075, RCW 9.46.153(1), RCW 34.05.440(1), RCW 34.05.461, and WAC
25 230-03-085.

1 **III. ORDER**

2 This matter having come before the Commission at its November 16, 2021, Commission
3 meeting, the Commissioners having heard arguments, been given the chance to review the
4 administrative record, and being fully advised in this matter, now therefore:

5 It is hereby **ORDERED** that Miao Li's gambling certification, Number 69-24640, is
6 **REVOKED.**

7
8 DATED this 16th day of November, 2021.

9
10 _____
BUD SIZEMORE, Chair

_____ JULIA PATTERSON, Vice Chair

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12 _____
ALICIA LEVY

_____ KRISTINE REEVES

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SARAH LAWSON

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NOTICE

Reconsideration: RCW 34.05.470 and WAC 230-17-140 provide that a party may file a petition for reconsideration of a final order. A petition for reconsideration must be received no later than thirteen (13) days after the date this final order is mailed. Any motion for reconsideration must state the specific grounds supporting the party's request for reconsideration.

Stay of Final Order: Filing for reconsideration does not stay the effectiveness of this Order. WAC 230-17-145 provides that a party may petition the Commission for a stay of a final order. Any petition for a stay should be received by the Commission within thirteen (13) days after the date this final order is mailed.

Judicial Review: RCW 34.05.542 provides that a party may appeal this final order by filing a petition for judicial review within thirty (30) days after service of this order. A petition for judicial review must be filed with the appropriate superior court and served upon both the Commission and the Office of the Attorney General.

Service: This Order was served on you three days after it was deposited in the United States Postal Service regular mail, excluding the date of mailing. WAC 230-17-035.

Any motions or petitions for judicial review should be served on or mailed to:

Washington State Gambling Commission
Legal and Records Division
4565 7th Avenue S.E., Lacey, WA
P.O. Box 42400
Olympia, WA 98504-2400

Doug Van de Brake
Attorney General's Office
1135 Washington St. SE
P.O. Box 40100
Olympia, WA 98504-0100

CERTIFICATE OF SERVICE

I certify that on the date below I served a copy of the foregoing document on all parties and/or their counsel by United States Postal Service regular mail to the following:

MIAO J LI
8628 BEACON AVE S
SEATTLE WA 98118

EXECUTED this ____ day of November, 2021, at Lacey, Washington.

Ashlie Laydon
Rules Coordinator

**WASHINGTON STATE
OFFICE OF ADMINISTRATIVE HEARINGS**

In the matter of:

Miao Li,

Appellant.

Docket No. 04-2021-GMB-00177

**ORDER DISMISSING APPEAL -
WITHDRAWAL**

Agency: Gambling Commission
Program: Washington State Gambling
Commission
Agency No. 2021-00310

Language Access Notice

English

This document has important information about your hearing. If you do not appear or take other action, you could lose important rights. Please call 1-800-845-8830 if you need help understanding this document.

Chinese Simplified

本文件包含有关您听证会的重要信息。如果您没有出席或采取其他措施，您可能会失去重要权利。如果您在理解本文件方面需要帮助，请致电1-800-845-8830。

Chinese Traditional

本檔案包含有關您聽證會的重要資訊。如果您沒有出席或採取其他措施，您可能會失去重要權利。如果您在理解本檔案方面需要幫助，請致電1-800-845-8830。

A hearing on the Washington State Gambling Commission Staff's Motion for Summary Judgment was convened on September 10, 2021, by telephone conferencing, before Administrative Law Judge Jane Cantor Shefler. Doug Van de Brake, Assistant Attorney General, appeared and represented the Washington State Gambling Commission Staff. Kurt Boehl, Attorney at Law, appeared and represented the Appellant, Miao Li.

At hearing, the Appellant, by and through her counsel of record, withdrew the appeal/request for hearing in this matter.

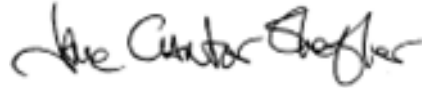
Based on a review of the case file and the withdrawal, no issue remains for resolution by the Office of Administrative Hearings. Accordingly, dismissal of the appeal is appropriate under the circumstances.

Now, therefore,

IT IS ORDERED:

Appellant Miao Li's administrative appeal before the Office of Administrative Hearings is **DISMISSED**.

SERVED on the date of mailing.



Jane Cantor Shefler
Administrative Law Judge
Office of Administrative Hearings

CERTIFICATE OF SERVICE ATTACHED

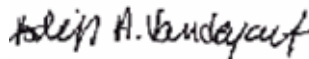
CERTIFICATE OF SERVICE FOR OAH DOCKET NO. 04-2021-GMB-00177

I certify that true copies of this document were served from Tacoma, Washington via Consolidated Mail Services upon the following as indicated:

Miao Li 8628 Beacon Ave S. Seattle, WA 98118 Appellant	<input checked="" type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Campus Mail <input type="checkbox"/> E-mail
Kurt Boehl KB Law Group PLLC 1250 N Wenatchee Ave Ste H-145 Wenatchee, WA, 98801 Appellant Representative	<input checked="" type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Campus Mail <input checked="" type="checkbox"/> E-mail: kurt@keblaw.com
Doug Van de Brake, AAG Office of the Attorney General MS: 40100 PO Box 40100 Olympia, WA 98504 Agency Representative	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Campus Mail <input checked="" type="checkbox"/> E-mail Doug.VandeBrake@atg.wa.gov Tina.Bert@atg.wa.gov GCEEF@atg.wa.gov
Ashlie Laydon Washington State Gambling Commission MS: 42400 PO Box 42400 Olympia, WA 98504 Agent Contact	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail, Return Receipt <input type="checkbox"/> Campus Mail <input checked="" type="checkbox"/> E-mail ashlie.laydon@wsqc.wa.gov

Date: Tuesday, September 14, 2021

OFFICE OF ADMINISTRATIVE HEARINGS



Ashleigh Vandeyacht
Legal Assistant 4

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**STATE OF WASHINGTON
GAMBLING COMMISSION**

In the Matter of:

NO. CR 2021-00310

MIAO J LI
License No. 69-24640

NOTICE OF ADMINISTRATIVE
CHARGES

Class III Employee.

These administrative charges are brought under and in accordance with Chapter 9.46 RCW, the Washington State Gambling Act, Chapter 34.05 RCW, the Administrative Procedure Act, Title 230 WAC, Rules adopted by the Gambling Commission, and the Muckleshoot Tribal-State Gaming Compact.

I. LICENSE

1. The Washington State Gambling Commission (WSGC) issued a Class III Certification to Miao Li, License No. 69-24640, authorizing Class III Employee activity for the Muckleshoot Tribe of Indians.

2. This certification, which expires on February 1, 2022, was issued subject to Li's compliance with state gambling laws and Commission rules in accordance with the Muckleshoot Tribal-State Gaming Compact.

II. FACTUAL BACKGROUND

1. On October 21, 2019, the WSGC received a letter from attorney Steven W. Kim notifying the agency that his client, Class III Certification holder Miao Li, was facing criminal prosecution. According to the letter, Li received notice on October 3, 2019 that she was being

1 | charged with one count of Violation of the Uniform Controlled Substance Act (VUCSA) by
2 | the King County Prosecutor's Office.

3 | 2. Upon receiving the notice, a WSGC Special Agent was assigned to investigate
4 | whether or not Li remained qualified to hold her Class III certification. As part of this
5 | investigation, the Agent requested certified copies of the pleadings from Li's criminal case.

6 | 3. On November 8, 2019, the Agent received the certified copies, and began
7 | reviewing them. The Information and Probable Cause for the case, King County Superior
8 | Court case number 19-1-00517-0 KNT, showed that Li was being charged with VUSCA, a
9 | class C felony in Washington.

10 | 4. The articulated basis for the charge was that Li and four co-defendants
11 | unlawfully and feloniously manufactured marijuana. The parties were growing marijuana in
12 | various residential homes, and transporting it away from the homes for sale. Li is the owner
13 | of four of the homes alleged to being used for growing, and the owner of at least two vehicles
14 | associated with the grow operation.

15 | 5. On December 5, 2019, the Muckleshoot Tribal Gaming Agency (MTGA) sent
16 | the WSGC a copy of a letter they had issued to Li regarding her Class IIIA license. The letter
17 | stated that following a hearing, the MTGA "ruled in favor of reinstating your Class IIIA
18 | License, pending the outcome of your recent felony charges filed in the King county Superior
19 | Court." The letter continued, "This is also dependent on the Washington State Gambling
20 | Commission's final decision regarding your recent felony charges. Should the WSGC seek
21 | revocation of your Class IIIA Gaming License, and revoke in the future. The Muckleshoot
22 | Gaming Commission will also seek revocation."

23 | 6. Since that letter was issued, Li's VUSCA case has been continued multiple
24 | times for months at a time. The MTGA submitted a Personnel Termination Notice in August
25 | 2020, but subsequently relinked her since her certification was not scheduled to expire until
26 | February 1, 2021.

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HEARING NOTICE

You have the opportunity to request a hearing to contest the Commission’s decision to revoke your Class III employee certification. To request a hearing and/or discuss settlement options, the Commission must receive the enclosed hearing request form within 23 days from date of our mailing identified below. ***Failure to return the enclosed hearing request will result in a default order revoking your certification.***

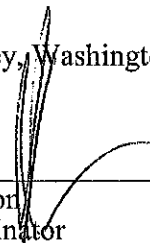
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CERTIFICATE OF SERVICE

I certify that on the date below I served a copy of the foregoing document on all parties or their counsel by United States Postal Service regular and certified mail to the following:

MIAO J LI
8628 BEACON AVE S
SEATTLE WA 98118

EXECUTED this 29 day of March, 2021, at Lacey, Washington.



Ashlie Laydon
Rules Coordinator



STATE OF WASHINGTON
GAMBLING COMMISSION

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

November 16, 2021

TO: COMMISSIONERS:
Bud Sizemore, Chair
Julia Patterson, Vice Chair
Sarah Lawson
Alicia Levy
Kristine Reeves

FROM: Adam Teal, Acting Legal Manager
Legal and Records Division

SUBJECT: Colleen H. Davis, CR 2021-00685
Final Order – November 16, 2021 Commission Meeting

Colleen Davis has a gambling certification authorizing Class III Employee activity for the Lummi Tribe of Indians. Her certification expires on November 24, 2021.

On May 7, 2021, a WSGC Special Agent was contacted by the Lummi Tribal Gaming Agency, who were reporting Class III Certification holder Colleen Davis was the subject of pending criminal charges. The Agent requested certified copies of pleadings filed in the case, Whatcom County Superior Court Case No. 21-1-00453-37. The documents outline that Davis was being charged with Felony harassment, Threat to Kill. According to the Declaration of Probable Cause, Davis is alleged to have pulled a knife on her neighbor and threatened to kill her. When interviewed by police, Davis acknowledged having a confrontation with the neighbor while holding the knife. To date, the charges are still pending.

Acting Director Griffin issued Davis a Notice of Administrative Charges on June 23, 2021, by regular and certified mail to her last known address on file. Pursuant to WAC 230-17-010, a response was required to be received by the Commission by July 16, 2021. To date, the Commission has received no communication from Davis.

Colleen Davis's failure to respond to the charges or timely request a hearing is a waiver of Davis's right to a hearing in Case No. CR 2021-00685. You may take final action against her gambling certification. Davis is currently charged with Felony Harassment, Threat to Kill, a crime involving physical harm to another. In doing so, Davis is in violation of RCW 9A.02.030(1), (8) and (9). WAC 230-03-085(1) and 9(a), and Section V.C. (1) of the Lummi Tribal-State Gaming Compact. Based on her conduct, Davis cannot show by clear and convincing evidence that she is qualified to keep her gambling certification. Therefore, staff recommends that the Commission sign the proposed final order and revoke Colleen Davis's Class III Employee certification, Number 69-36427.

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**STATE OF WASHINGTON
GAMBLING COMMISSION**

In the Matter of:

NO. CR 2021-00685

COLLEEN H DAVIS,
License No. 69-36427,

FINAL ORDER OF THE
GAMBLING COMMISSION

Class III Employee.

This matter having come before the Washington State Gambling Commission (Commission) on November 16, 2021, the Commission makes the following Findings of Fact, Conclusions of Law, and issues its Final Order:

I. FINDINGS OF FACT

1. The Washington State Gambling Commission issued Colleen Davis Certification No. 69-36427 authorizing Class III Employee activity for the Lummi Tribe of Indians.

2. This certification, which expires on November 24, 2021, was issued subject to Davis’s compliance with state gambling laws and Commission rules in accordance with the Lummi Tribal-State Gaming Compact.

3. Davis has been licensed since 2014.

4. On May 7, 2021, a WSGC Special Agent was contacted by a member of the Lummi Tribal Gaming Agency (LTGA) explaining that they had suspended the license of Class III Certification holder Colleen Davis. The suspension was based on the fact that Davis had pending criminal charges.

1 5. Upon receiving the notice from LTGA, the Agent conducted a criminal history
2 check through the Judicial Access Browser System (JABS)¹. That check confirmed that Davis
3 was the subject of a pending criminal charge of Felony Harassment, Threat to Kill, in Whatcom
4 County Superior Court. The Agent order certified copies of all pleadings filed in the case.

5 6. When the Agent received the documents, they outlined that Davis had been
6 charged with Felony Harassment, Threat to Kill on May 3, 2021 from an incident that occurred
7 on April 30, 2021.

8 7. According to the Declaration of Probable Cause, Police responded to a call that
9 Davis had pulled a knife on her neighbor and threatened to kill her. Davis and the neighbor had
10 been arguing when Davis reached into her vehicle and pulled out a large curved blade fighting-
11 style knife. Davis is then alleged to have said to the neighbor, “I’m going to kill you.”

12 8. When Davis spoke with the police, she admitted to the confrontation, and to
13 having the knife in her hand while the argument transpired. Davis, though, denied making any
14 threats to kill the neighbor.

15 9. According to Davis, she felt that she was the one that was threatened. She claims
16 she stood by her vehicle, and did not approach the victim.

17 10. The investigating officers were able to view a video taken by the neighbor’s child.
18 That video contradicted Davis’s claim that she remained by her vehicle. According to the
19 reporting officer, Davis had a “very confrontational look on her face and does not appear to be
20 frightened.”

21 11. The neighbor told the officers that she was very scared for her safety and the
22 safety of her children, who were in her home at the time of the confrontation. The neighbor also
23 told the officers that she was scared for her safety at her job, at the Silver Reef Casino, because
24 Davis had seen her there before.

25 _____
26 ¹ JABS is a system run by the Washington State Court System which keeps a record of court actions filed
in the Municipal, District, and Superior Courts of Washington.

1 12. On May 26, 2021, the WSGC Special Agent forwarded copies of the court
2 documents to the LTGA for their records.

3 13. Acting Director Tina Griffin issued administrative charges on June 23, 2021
4 alleging that Davis's actions constituted a violation of RCW 9.46.075(1), (8) and (9), WAC 230-
5 03-085(1) and (9)(a), and Section V.C.(1) of the Lummi Tribal-State Gaming Compact. Further,
6 that Davis could not show by clear and convincing evidence that she was qualified for
7 certification as required by RCW 9.46.153(1), and that her actions warranted revocation of her
8 license pursuant to RCW 9.46.075(1), (8) and (9), WAC 230-03-085(1) and (9)(a), and Section
9 V.C.(1) of the Lummi Tribal-State Gaming Compact.

10 14. Davis was sent the charges by regular and certified mail on June 23, 2021 to the
11 last address the Gambling Commission had on file.

12 15. Pursuant to WAC 230-17-010, a response was required to be received by the
13 Commission by July 16, 2021. To date, the Commission has received no communication from
14 Davis.

15 II. CONCLUSIONS OF LAW

16 1. Colleen Davis received proper notice of the charges within three days of June 23,
17 2021 via regular and certified mail, pursuant to RCW 34.05.413 RCW 34.05.434, WAC 230-17-
18 005, WAC 230-17-010, and WAC 10-08-130.

19 2. The Commission can take final action against Colleen Davis's gambling
20 certification under Case Number CR 2021-00685 pursuant to RCW 9.46.075, RCW
21 34.05.440(1), RCW 34.05.461, and WAC 230-03-085.

22 3. Colleen Davis's certification should be revoked under Case Number CR 2021-
23 00685 pursuant to RCW 9.46.075, RCW 9.46.153(1), RCW 34.05.440(1), RCW 34.05.461,
24 WAC 230-03-085, and Section V.C.(1) of the Lummi Tribal-State Gaming Compact.
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1 **III. ORDER**

2 This matter having come before the Commission at its November 16, 2021, Commission
3 meeting, the Commissioners having heard arguments, been given the chance to review the
4 administrative record, and being fully advised in this matter, now therefore:

5 It is hereby **ORDERED** that Colleen Davis’s gambling certification, Number 69-36427,
6 is **REVOKED**.

7
8 DATED this 16th day of November, 2021.

9
10 _____
BUD SIZEMORE, Chair

_____ JULIA PATTERSON, Vice Chair

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12 _____
ALICIA LEVY

_____ KRISTINE REEVES

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15 _____
SARAH LAWSON

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NOTICE

Reconsideration: RCW 34.05.470 and WAC 230-17-140 provide that a party may file a petition for reconsideration of a final order. A petition for reconsideration must be received no later than thirteen (13) days after the date this final order is mailed. Any motion for reconsideration must state the specific grounds supporting the party's request for reconsideration.

Stay of Final Order: Filing for reconsideration does not stay the effectiveness of this Order. WAC 230-17-145 provides that a party may petition the Commission for a stay of a final order. Any petition for a stay should be received by the Commission within thirteen (13) days after the date this final order is mailed.

Judicial Review: RCW 34.05.542 provides that a party may appeal this final order by filing a petition for judicial review within thirty (30) days after service of this order. A petition for judicial review must be filed with the appropriate superior court and served upon both the Commission and the Office of the Attorney General.

Service: This Order was served on you three days after it was deposited in the United States Postal Service regular mail, excluding the date of mailing. WAC 230-17-035.

Any motions or petitions for judicial review should be served on or mailed to:

Washington State Gambling Commission
Legal and Records Division
4565 7th Avenue S.E., Lacey, WA
P.O. Box 42400
Olympia, WA 98504-2400

Doug Van de Brake
Attorney General's Office
1135 Washington St. SE
P.O. Box 40100
Olympia, WA 98504-0100

CERTIFICATE OF SERVICE

I certify that on the date below I served a copy of the foregoing document on all parties and/or their counsel by United States Postal Service regular mail to the following:

COLLEEN H DAVIS
5769 LEGOE AVE APT 14
FERNDALE WA 98248-9291

EXECUTED this ____ day of November, 2021, at Lacey, Washington.

Ashlie Laydon
Rules Coordinator

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**STATE OF WASHINGTON
GAMBLING COMMISSION**

In the Matter of:

NO. CR 2021-00685

COLLEEN H. DAVIS
License No. 69-36427

NOTICE OF ADMINISTRATIVE
CHARGES

Class III Employee.

These administrative charges are brought under and in accordance with Chapter 9.46 RCW, the Washington State Gambling Act, Chapter 34.05 RCW, the Administrative Procedure Act, Title 230 WAC, Rules adopted by the Gambling Commission, and the Lummi Tribal-State Gaming Compact.

I. LICENSE

1. The Washington State Gambling Commission (WSGC) issued a Class III Certification to Colleen Davis, No. 69-36427, authorizing Class III Employee activity for the Lummi Tribe of Indians.

2. This certification, which expires on November 24, 2021, was issued subject to Davis's compliance with state gambling laws and Commission rules in accordance with the Lummi Tribal-State Gaming Compact.

II. FACTUAL BACKGROUND

1. On May 7, 2021, a WSGC Special Agent was contacted by a member of the Lummi Tribal Gaming Agency (LTGA) explaining that they had suspended the license of

1 Class III Certification holder Colleen Davis. The suspension was based on the fact that Davis
2 had pending criminal charges.

3 2. Upon receiving the notice from LTGA, the Agent conducted a criminal history
4 check through the Judicial Access Browser System (JABS)¹. That check confirmed that Davis
5 was the subject of a pending criminal charge of Felony Harassment, Threat to Kill, in Whatcom
6 County Superior Court. The Agent order certified copies of all pleadings filed in the case.

7 3. When the Agent received the documents, they outlined that Davis had been
8 charged with Felony Harassment, Threat to Kill on May 3, 2021 from an incident that occurred
9 on April 30, 2021.

10 4. According to the Declaration of Probable Cause, Police responded to a call that
11 Davis had pulled a knife on her neighbor and threatened to kill her. Davis and the neighbor
12 had been arguing when Davis reached into her vehicle and pulled out a large curved blade
13 fighting-style knife. Davis is then alleged to have said to the neighbor, "I'm going to kill you."

14 5. When Davis spoke with the police, she admitted to the confrontation, and to
15 having the knife in her hand while the argument transpired. Davis, though, denied making any
16 threats to kill the neighbor.

17 6. According to Davis, she felt that she was the one that was threatened. She
18 claims she stood by her vehicle, and did not approach the victim.

19 7. The investigating officers were able to view a video taken by the neighbor's
20 child. That video contradicted Davis's claim that she remained by her vehicle. According to
21 the reporting officer, Davis had a "very confrontational look on her face and does not appear
22 to be frightened."

23 8. The neighbor told the officers that she was very scared for her safety and the
24 safety of her children, who were in her home at the time of the confrontation. The neighbor
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26 _____
¹ JABS is a system run by the Washington State Court System which keeps a record of court actions
filed in the Municipal, District, and Superior Courts of Washington.

1 also told the officers that she was scared for her safety at her job, at the Silver Reef Casino,
2 because Davis had seen her there before.

3 9. On May 26, 2021, the WSGC Special Agent forwarded copies of the court
4 documents to the LTGA for their records.

5 **III. BASIS FOR REVOCATION**

6 1. Colleen Davis is currently charged with Felony Harassment, Threat to Kill, a
7 crime involving physical harm to an individual. Being the subject of pending criminal charges
8 involving physical harm to an individual is grounds to revoke a gambling certification per
9 RCW 9.46.075(9).

10 2. Colleen Davis poses a threat to the effective regulation of gambling based on
11 her prior activities; this is a basis for revocation of her certification based on WAC 230-03-
12 085(9)(a). The WSGC may pursue this revocation, as such an action is in the public's interest,
13 per RCW 9.46.075(1) and V.C.(1) of the Lummi Tribal-State Gaming Compact.

14 3. Colleen Davis has failed to prove by clear and convincing evidence that she is
15 qualified for certification, as required by RCW 9.46.153(1).

16 4. The Commission is authorized to revoke Colleen Davis's Class III Employee
17 certification pursuant to RCW 9.46.075(1), (8), and (9), RCW 9.46.153(1), WAC 230-03-
18 085(1) and (9)(a), and Sections V.C. (1) of the Lummi Tribal-State Gaming Compact.

19 **IV. REVOCATION**

20 1. The above-referenced findings are a sufficient basis for revocation of Colleen
21 Davis's Class III Employee Certification.

22 2. Based on the facts and violations referenced above, the penalty for Colleen
23 Davis's actions is **REVOCATION** of her Class III Employee Certification.

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I have read this Notice of Administrative Charges, know the contents of it, believe it to be true, and have executed this Notice in my capacity as Director of the Washington State Gambling Commission.

Tina Griffin

6/17/2021

TINA GRIFFIN, INTERIM DIRECTOR
Washington State Gambling Commission

Date

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HEARING NOTICE

You have the opportunity to request a hearing to contest the Commission’s decision to revoke your Class III employee certification. To request a hearing and/or discuss settlement options, the Commission must receive the enclosed hearing request form within 23 days from date of our mailing identified below. ***Failure to return the enclosed hearing request will result in a default order revoking your certification.***

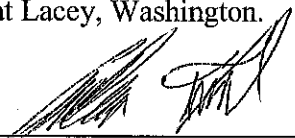
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CERTIFICATE OF SERVICE

I certify that on the date below I served a copy of the foregoing document on all parties or their counsel by United States Postal Service regular and certified mail to the following:

COLLEEN H. DAVIS
5769 LEGOE AVE APT 14
FERNDAL WA 98248-9291

EXECUTED this 23rd day of June, 2021, at Lacey, Washington.



Ashlie Laydon ADAM TEAK
Rules Coordinator STAFF ATTORNEY



STATE OF WASHINGTON
GAMBLING COMMISSION

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

November 16, 2021

TO: COMMISSIONERS:
Bud Sizemore, Chair
Julia Patterson, Vice Chair
Sarah Lawson
Alicia Levy
Kristine Reeves

FROM: Adam Teal, Acting Legal Manager
Legal and Records Division

SUBJECT: Robby C. Denuyl, CR 2021-00751
Final Order – November 16, 2021 Commission Meeting

Robby Denuyl has a gambling certification authorizing Class III Employee activity for the Tulalip Tribe of Indians. His certification expires on June 16, 2022.

On May 12, 2021, Class III certification holder Robby Denuyl disclosed that he had a pending criminal charge on his WSGC renewal application. A WSGC Special Agent was assigned to investigate the pending charge, and its impact on Denuyl's qualifications for certification. The Agent ordered certified copies for the case, Snohomish Superior Court case number 20-1-01592-31. Those pleadings outlined that on October 23, 2020, Denuyl was charged with one count of Third Degree Rape, a felony charge involving physical harm to another. According to the Affidavit of Probable Cause filed in the case, the alleged victim claims she went to bed drunk and woke up with Denuyl's penis inserted into her vagina; when the victim woke up later, Denuyl was naked in bed with her. To date, the charges are still currently pending.

Acting Director Griffin issued Denuyl a Notice of Administrative Charges on June 7, 2021, by regular and certified mail to his last known address on file. Pursuant to WAC 230-17-010, a response was required to be received by the Commission by June 30, 2021. To date, the Commission has received no communication from Denuyl.

Robby Denuyl's failure to respond to the charges or timely request a hearing is a waiver of Denuyl's right to a hearing in Case No. CR 2021-00751. You may take final action against his gambling certification. Denuyl is current charged with Rape in the Third Degree, a crime involving physical harm to an individual and a crime of moral turpitude. In doing so, Denuyl is in violation of RCW 9.46.075(1) and (9), WAC 230-03-085(9)(a) and (b), and Section 5(c) of the Tulalip Tribal-State Gaming Compact. Based on his conduct, Denuyl cannot show by clear and convincing evidence that he is qualified to keep his gambling certification. Therefore, staff recommends that the Commission sign the proposed final order and revoke Robby Denuyl's Class III Employee certification, Number 69-38355.

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**STATE OF WASHINGTON
GAMBLING COMMISSION**

7 In the Matter of:

NO. CR 2021-00751

8
9 ROBBY C DENUYL,
License No. 69-38355,

FINAL ORDER OF THE
GAMBLING COMMISSION

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Class III Employee.

This matter having come before the Washington State Gambling Commission (Commission) on November 16, 2021, the Commission makes the following Findings of Fact, Conclusions of Law, and issues its Final Order:

I. FINDINGS OF FACT

1. The Washington State Gambling Commission issued Robby Denuyl Certification No. 69-38355 authorizing Class III Employee activity for the Tulalip Tribe of Indians.

2. This certification, which expires on June 16, 2022, was issued subject to Denuyl's compliance with state gambling laws and Commission rules in accordance with the Tulalip Tribal-State Gaming Compact.

3. Denuyl has held this certification since 2015.

4. On May 12, 2021, the WSGC received the online annual renewal application for Class III Certification holder Robby Denuyl. As part of the application process, Denuyl disclosed that he had a pending criminal charge, Rape Third Degree, in Snohomish County, Washington.

1 5. Upon receiving the renewal application, a routine criminal history check was
2 conducted using the Judicial Access Browser System (JABS)¹. That history check confirmed
3 the existence of the pending criminal charge.

4 6. On May 13, 2021, a WSGC Special Agent was assigned to investigate whether
5 Denuyl continues to qualify for certification given the pending charges. As part of that
6 investigation, the Agent requested certified copies of the court documents filed in Denuyl’s case.

7 7. In addition to requesting the pleadings, the Agent also contacted Jeff Hatch of the
8 Tulalip Tribal Gaming Agency (TTGA) to notify him of Denuyl’s case. In response, Hatch told
9 the Agent that TTGA would be processing a suspension for Denuyl pending a WSGC revocation
10 action.

11 8. When the Agent received the certified copies, dated May 13, 2021, she conducted
12 a review of the pleadings for the case, Snohomish County Superior Court case number 20-1-
13 01592-31. The Information showed Denuyl was charged with one count, Third Degree Rape,
14 on October 23, 2020.

15 9. The Affidavit of Probable Cause for the case stated that on April 25, 2020 the
16 alleged female victim of the crime spoke with police regarding an incident that had occurred on
17 April 23. The victim alleged that on the date in question she and Denuyl were playing beer pong
18 at her home. The two had been friends for years but had never had a dating relationship.

19 10. Around midnight, the victim went to bed “nearly blackout drunk”. She recalled
20 waking up during the night for about 30 seconds with Denuyl’s penis inside of her vagina. When
21 the victim woke up the following morning, she was naked, and Denuyl was in bed with her.

22 11. When Denuyl was interviewed by a Detective, he admitted to having sex with the
23 victim, but said that she was not passed out and never said “no”. When asked if she had given
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26 ¹ JABS is a system run by the Washington State Court System that keeps a record of court actions
occurring in Municipal, District, and Superior Courts throughout the state.

1 any indication that she wanted to have sex with him, Denuyl stated, “I don’t know”. He also
2 stated that he didn’t remember how the interaction had progressed.

3 12. On May 27, 2021, the Special Agent sent copies of the court documents to Hatch
4 so that TTGA could have records on the documents.

5 13. Acting Director Tina Griffin issued administrative charges on June 7, 2021
6 alleging that Denuyl’s actions constituted a violation of RCW 9A.56.050, 9.46.075(1), (8) and
7 (9) and WAC 230-03-085(3). Further, that Denuyl could not show by clear and convincing
8 evidence that he was qualified for licensure as required by RCW 9.46.153(1), and that his actions
9 warranted revocation of his license pursuant to RCW 9.46.075(1) and (9), WAC 230-03-
10 085(9)(a) and (b), and Section 5(c) of the Tulalip Tribal-State Gaming Compact.

11 14. Denuyl was sent the charges by regular and certified mail on June 7, 2021 to the
12 last address the Gambling Commission had on file.

13 15. Pursuant to WAC 230-17-010, a response was required to be received by the
14 Commission by June 30, 2021. To date, the Commission has received no communication from
15 Denuyl.

16 **II. CONCLUSIONS OF LAW**

17 1. Robby Denuyl received proper notice of the charges within three days of June 7,
18 2021 via regular and certified mail, pursuant to RCW 34.05.413 RCW 34.05.434, WAC 230-17-
19 005, WAC 230-17-010, and WAC 10-08-130.

20 2. The Commission can take final action against Robby Denuyl’s gambling
21 certification under Case Number CR 2021-00751 pursuant to RCW 9.46.075, RCW
22 34.05.440(1), RCW 34.05.461, WAC 230-03-085, and Section 5(c) of the Tulalip Tribal-State
23 Gaming Compact.

24 3. Robby Denuyl’s license should be revoked under Case Number CR 2021-00751
25 pursuant to RCW 9.46.075, RCW 9.46.153(1), RCW 34.05.440(1), RCW 34.05.461, WAC 230-
26 03-085, and Section 5(c) of the Tulalip Tribal-State Gaming Compact.

1 **III. ORDER**

2 This matter having come before the Commission at its November 16, 2021, Commission
3 meeting, the Commissioners having heard arguments, been given the chance to review the
4 administrative record, and being fully advised in this matter, now therefore:

5 It is hereby **ORDERED** that Robby Denuyl’s gambling certification, Number 69-38355,
6 is **REVOKED**.

7
8 DATED this 16th day of November, 2021.

9
10 _____
BUD SIZEMORE, Chair

_____ JULIA PATTERSON, Vice Chair

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12 _____
ALICIA LEVY

_____ KRISTINE REEVES

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15 _____
SARAH LAWSON

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3 **NOTICE**

4 Reconsideration: RCW 34.05.470 and WAC 230-17-140 provide that a party may file a
5 petition for reconsideration of a final order. A petition for reconsideration must be received no
6 later than thirteen (13) days after the date this final order is mailed. Any motion for
7 reconsideration must state the specific grounds supporting the party's request for
8 reconsideration.

9 Stay of Final Order: Filing for reconsideration does not stay the effectiveness of this
10 Order. WAC 230-17-145 provides that a party may petition the Commission for a stay of a final
11 order. Any petition for a stay should be received by the Commission within thirteen (13) days
12 after the date this final order is mailed.

13 Judicial Review: RCW 34.05.542 provides that a party may appeal this final order by
14 filing a petition for judicial review within thirty (30) days after service of this order. A petition
15 for judicial review must be filed with the appropriate superior court and served upon both the
16 Commission and the Office of the Attorney General.

17 Service: This Order was served on you three days after it was deposited in the United
18 States Postal Service regular mail, excluding the date of mailing. WAC 230-17-035.

19 Any motions or petitions for judicial review should be served on or mailed to:

20 Washington State Gambling Commission
21 Legal and Records Division
22 4565 7th Avenue S.E., Lacey, WA
23 P.O. Box 42400
24 Olympia, WA 98504-2400

25 Doug Van de Brake
26 Attorney General's Office
1135 Washington St. SE
P.O. Box 40100
Olympia, WA 98504-0100

CERTIFICATE OF SERVICE

I certify that on the date below I served a copy of the foregoing document on all parties and/or their counsel by United States Postal Service regular mail to the following:

ROBBY C DENUYL
7320 SR 92
LAKE STEVENS WA 98258

EXECUTED this ____ day of November, 2021, at Lacey, Washington.

Ashlie Laydon
Rules Coordinator

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**STATE OF WASHINGTON
GAMBLING COMMISSION**

In the Matter of:

NO. CR 2021-00751

ROBBY C DENUYL
License No. 69-38355

NOTICE OF ADMINISTRATIVE
CHARGES

Class III Employee.

These administrative charges are brought under and in accordance with Chapter 9.46 RCW, the Washington State Gambling Act, Chapter 34.05 RCW, the Administrative Procedure Act, Title 230 WAC, Rules adopted by the Gambling Commission, and the Tulalip Tribal-State Gaming Compact.

I. LICENSE

1. The Washington State Gambling Commission (WSGC) issued a Class III Certification to Robby Denuyl, License No. 69-38355, authorizing Class III Employee activity for the Tulalip Tribe of Indians.

2. This certification, which expires on June 16, 2021, was issued subject to Denuyl's compliance with state gambling laws and Commission rules in accordance with the Tulalip Tribal-State Gaming Compact.

II. FACTUAL BACKGROUND

1. On May 12, 2021, the WSGC received the online annual renewal application for Class III Certification holder Robby Denuyl. As part of the application process, Denuyl

1 disclosed that he had a pending criminal charge, Rape Third Degree, in Snohomish County,
2 Washington.

3 2. Upon receiving the renewal application, a routine criminal history check was
4 conducted using the Judicial Access Browser System (JABS)¹. That history check confirmed
5 the existence of the pending criminal charge.

6 3. On May 13, 2021, a WSGC Special Agent was assigned to investigate whether
7 Denuyl continues to qualify for certification given the pending charges. As part of that
8 investigation, the Agent requested certified copies of the court documents filed in Denuyl's
9 case.

10 4. In addition to requesting the pleadings, the Agent also contacted Jeff Hatch of
11 the Tulalip Tribal Gaming Agency (TTGA) to notify him of Denuyl's case. In response, Hatch
12 told the Agent that TTGA would be processing a suspension for Denuyl pending a WSGC
13 revocation action.

14 5. When the Agent received the certified copies, dated May 13, 2021, she
15 conducted a review of the pleadings for the case, Snohomish County Superior Court case
16 number 20-1-01592-31. The Information showed Denuyl was charged with one count, Third
17 Degree Rape, on October 23, 2020.

18 6. The Affidavit of Probable Cause for the case stated that on April 25, 2020 the
19 alleged female victim of the crime spoke with police regarding an incident that had occurred
20 on April 23. The victim alleged that on the date in question she and Denuyl were playing beer
21 pong at her home. The two had been friends for years but had never had a dating relationship.

22 7. Around midnight, the victim went to bed "nearly blackout drunk". She recalled
23 waking up during the night for about 30 seconds with Denuyl's penis inside of her vagina.
24 When the victim woke up the following morning, she was naked, and Denuyl was in bed with
25 her.

26 _____
¹ JABS is a system run by the Washington State Court System that keeps a record of court actions occurring in Municipal, District, and Superior Courts throughout the state.

1 8. When Denuyl was interviewed by a Detective, he admitted to having sex with
2 the victim, but said that she was not passed out and never said "no". When asked if she had
3 given any indication that she wanted to have sex with him, Denuyl stated, "I don't know". He
4 also stated that he didn't remember how the interaction had progressed.

5 9. On May 27, 2021, the Special Agent sent copies of the court documents to
6 Hatch so that TTGA could have records on the documents.

7 **III. BASIS FOR REVOCATION**

8 1. Robby Denuyl is currently charged with the crime of Rape Third Degree which
9 is both a crime involving physical harm to and individual and a crime or moral turpitude. Being
10 the subject of a pending criminal charge involving physical harm to individuals or moral
11 turpitude is grounds to revoke a gambling certification per RCW 9.46.075(9) and Section
12 5(c)(vii) of the Tulalip Tribal-State Gaming Compact.

13 2. Robby Denuyl poses a threat to the effective regulation of gambling based on
14 his prior activities; this is a basis for revocation of his certification based on WAC 230-03-
15 085(9)(a) and (b). The WSGC may pursue this revocation, as such an action is in the public's
16 interest, per RCW 9.46.075(1) and Section 5(c) of the Tulalip Tribal-State Gaming Compact.

17 3. Robby Denuyl has failed to prove by clear and convincing evidence that he is
18 qualified for certification, as required by RCW 9.46.153(1) and Section 5(c)(vi) of the Tulalip
19 Tribal-State Gaming Compact.

20 4. The Commission is authorized to revoke Robby Denuyl's Class III Employee
21 certification pursuant to RCW 9.46.075(1), (8), and (9), RCW 9.46.153(1), WAC 230-03-
22 085(1) and (9)(a) and (b), and Sections 5(c) of the Tulalip Tribal-State Gaming Compact.

23 **IV. REVOCATION**

24 1. The above-referenced findings are a sufficient basis for revocation of Robby
25 Denuyl's Class III Employee Certification.
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2. Based on the facts and violations referenced above, the penalty for Robby Denuyl's actions is **REVOCATION** of his Class III Employee Certification.

I have read this Notice of Administrative Charges, know the contents of it, believe it to be true, and have executed this Notice in my capacity as Director of the Washington State Gambling Commission.

Tina Griffin

6/3/2021

TINA GRIFFIN, INTERIM DIRECTOR
Washington State Gambling Commission

Date

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HEARING NOTICE

You have the opportunity to request a hearing to contest the Commission's decision to revoke your Class III employee certification. To request a hearing and/or discuss settlement options, the Commission must receive the enclosed hearing request form within 23 days from date of our mailing identified below. *Failure to return the enclosed hearing request will result in a default order revoking your certification.*

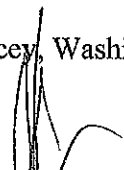
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CERTIFICATE OF SERVICE

I certify that on the date below I served a copy of the foregoing document on all parties or their counsel by United States Postal Service regular and certified mail to the following:

ROBBY DENUYL
7320 SR 92
LAKE STEVENS WA 98258

EXECUTED this 1 day of June, 2021, at Lacey, Washington.



Ashlie Laydon
Rules Coordinator



STATE OF WASHINGTON
GAMBLING COMMISSION

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

November 16, 2021

TO: COMMISSIONERS:
Bud Sizemore, Chair
Julia Patterson, Vice Chair
Sarah Lawson
Alicia Levy
Kristine Reeves

FROM: Adam Teal, Acting Legal Manager
Legal and Records Division

**SUBJECT: Han H. Lam, CR 2021-00759
Final Order – November 16, 2021 Commission Meeting**

Han Lam has a gambling license authorizing Public Card Room Employee activity; Lam's license is not currently linked to an employer. His license expires on May 10, 2022.

On May 28, 2021, a WSGC Special Agent began an investigation into the qualification of licensee Han Lam; the investigation commenced when a criminal history check was run on Lam, and it did not match the criminal history that Lam had disclosed on his application.. The Agent ran a criminal history check using Lam's full name, and found three exact name matches. One exact name match had a different birthdate and driver's license number, and was determined to not be Lam. The other two name matches listed the same birthdate and driver's license number as Lam, the only discrepancy being that one exact match had Lam's birthdate off by one year. The Agent ordered certified copies of a case tied to the name match, King County Superior Court Case No. 95-1-03829-4. Those pleadings showed that on September 7, 1995, Lam entered a guilty plea to a charge of Murder in the Second Degree, a crime involving physical harm to another. Lam did not disclose this conviction in his application, or at any other time.

Acting Assistant Director Gary Drumheller issued Lam a Notice of Administrative Charges on July 27, 2021, by regular and certified mail to his last known address on file. Pursuant to WAC 230-17-010, a response was required to be received by the Commission by August 19, 2021. To date, the Commission has received no communication from Lam.

Han Lam's failure to respond to the charges or timely request a hearing is a waiver of Lam's right to a hearing in Case No. CR 2021-00759. You may take final action against his gambling license. Lam failed to disclose at any time, including on his license application, that he had a criminal conviction for Murder in the Second Degree, a crime involving physical harm to another. In doing so, Lam is in violation of RCW 9.46.075(1), (3), (4), (7) and (8) and WAC 230-03-085(1), (2), (8) and 9(a), (b), and (c). Based on his conduct, Lam cannot show by clear and convincing evidence that he is qualified to keep his gambling license. Therefore, staff recommends that the Commission sign the proposed final order and revoke Han Lam's Public Card Room Employee license, Number 68-36130.

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**STATE OF WASHINGTON
GAMBLING COMMISSION**

7 In the Matter of:

NO. CR 2021-00759

8
9 HAN H LAM,
License No. 68-36130,

FINAL ORDER OF THE
GAMBLING COMMISSION

10
11 Licensee.

12 This matter having come before the Washington State Gambling Commission
13 (Commission) on November 16, 2021, the Commission makes the following Findings of Fact,
14 Conclusions of Law, and issues its Final Order:

15
I. FINDINGS OF FACT

16 1. The Washington State Gambling Commission issued Han Lam License No. 68-
17 36130 authorizing Public Card Room Employee activity; Lam's license is not currently linked
18 to a House-Banked Card Room.

19 2. This license, which expires on May 10, 2022, was issued subject to Lam's
20 compliance with state gambling laws and Commission rules.

21 3. Lam has been licensed since 2021.

22 4. On May 28, 2021, a WSGC Special Agent was assigned to conduct a post-
23 licensing review of Licensee Han Lam's file, to look into potentially undisclosed criminal
24 history. In his Public Card Room Employee application, filed on May 11, 2021, Lam had
25 disclosed a criminal history, but the crime he listed was not found through an initial criminal
26 history check.

FINAL ORDER OF THE
GAMBLING COMMISSION

1 5. As part of the application process, applicants are asked whether they have ever:
2 a) Forfeited bail or paid a fine over \$25, b) Been arrested, c) Been charged with a crime, d) Been
3 convicted, e) Been jailed, or f) Been placed on probation. If the answer to any of those questions
4 is “Yes”, applicants must provide further details on the incident(s).¹

5 6. In his application, Lam disclosed that he was charged with Conspiracy in Seattle,
6 WA in 2008. Upon receipt of the application, a routine criminal history check was conducted
7 through the Judicial Access Browser System (JABS)².

8 7. When Lam’s name was entered into JABS, an exact match of Lam’s full name
9 and birthdate was discovered. The records that were discovered for that match showed a number
10 of traffic infractions, but did not reveal the Conspiracy charge that Lam had disclosed.

11 8. Due to the level of the crime disclosed, the fact that the charge occurred in 2008,
12 and that it was not shown on JABS, Lam’s application was cleared for licensure. The absence
13 of a disclosed criminal incident such as this is not uncommon, and can be for a number of reasons
14 (examples include: the case was dismissed, the conviction was later expunged or vacated, the
15 charge occurred in juvenile court).

16 9. When the Special Agent began her post-licensing review, she discovered that
17 there were three exact name-matches for Lam including the one that the first review was based
18 on, but the name-matches did not have exact matches for the date of birth. Accordingly, the
19 Agent reviewed the driver’s license numbers for the name-matches.

20 10. In her review, it was clear that one of the name-matches could be excluded,
21 because the driver’s license did not match, and the dates of birth were not close. The other name-
22 match had the same birth date, but with a different birth year.

23
24 ¹ In addition to providing the information requested, all applicants are also required to sign the Oath of
25 Applicant, which reads, “I declare under penalty of perjury, under the laws of the state of Washington, that all
26 information provided in this application is true and complete to the best of my knowledge. I understand that
untruthful, misleading, or incomplete answers whether through misrepresentation, concealment, inadvertence, or
mistake, are cause for denial of an initial application or revocation of any gambling license...”

² JABS is a system run by the Washington State Court System which keeps a record of court actions filed
in the Municipal, District, and Superior Courts of Washington.

1 11. A review of the match with the different birth year confirmed that this was a
2 match for Lam, as the driver's licenses listed on the two entries were the same. That name-
3 match had a conviction for Murder Second Degree, deadly weapon special verdict conviction,
4 stemming from an incident from 1994. The Agent order certified copies of the pleadings in that
5 case.

6 12. When they arrived, the Agent reviewed the certified copies for the case, King
7 County Superior Court Cause No. 95-1-03829-4. The Information confirmed that on May 24,
8 1995 Lam was charged with Murder in the Second Degree.

9 13. The Certification for Determination of Probable Cause outlined that on or about
10 July 10, 1994, Lam, also known as "Loco D", approached a group of friends at a park. When he
11 reached the group, Lam, who claimed affiliation with the gang Young Seattle Boys, began
12 flashing gang signs.

13 14. Lam then walked up to the victim and said "Who's going to be first?" Lam then
14 pulled a .380 caliber handgun and shot the victim in the back of the head at close range, killing
15 him instantly.

16 15. On September 7, 1995 Lam, who was 16 at the time the crime occurred, entered
17 a plea of guilty for the crime alleged. In his Statement of Defendant on Plead of Guilty, Lam
18 stated "I do not believe I am guilty of the crime as charged. However, after reviewing the
19 evidence with my lawyer, I believe there is a substantial likelihood I would be found guilty if
20 the case went to trial. I therefor wish to plead guilty to take advantage of the state's offer..."

21 16. For this crime, Lam was sentenced to 134 months confinement.

22 17. On May 28, 2021, the Special Agent called Tara Lutgen, the licensing contact for
23 Roman Casino. The Agent explained Lam's failure to disclose his murder conviction. Lutgen
24 informed the Agent that Lam would be terminated that day. Since that time, Lam's license has
25 not been linked to an employer.
26

1 18. Acting Assistant Director Gary Drumheller issued administrative charges on July
2 27, 2021 alleging that Lam's actions constituted a violation of RCW 9.46.075 (1), (3), (4), and
3 WAC 230-03-085(2), (8), and (9)(a), (b), and (c). Further, that Lam could not show by clear and
4 convincing evidence that he was qualified for licensure as required by RCW 9.46.153(1), and
5 that his actions warranted revocation of his license pursuant to RCW 9.46.075(1), (3), (4), (7)
6 and (8) and WAC 230-03-085(1), (2), (8), and (9)(a), (b), and (c).

7 19. Lam was sent the charges by regular and certified mail on July 27, 2021 to the
8 last address the Gambling Commission had on file.

9 20. Pursuant to WAC 230-17-010, a response was required to be received by the
10 Commission by August 19, 2021. To date, the Commission has received no communication from
11 Lam.

12 II. CONCLUSIONS OF LAW

13 1. Han Lam received proper notice of the charges within three days of July 27, 2021
14 via regular and certified mail, pursuant to RCW 34.05.413 RCW 34.05.434, WAC 230-17-005,
15 WAC 230-17-010, and WAC 10-08-130.

16 2. The Commission can take final action against Han Lam's gambling license under
17 Case Number CR 2021-00759 pursuant to RCW 9.46.075, RCW 34.05.440(1), RCW 34.05.461,
18 and WAC 230-03-085.

19 3. Han Lam's license should be revoked under Case Number CR 2021-00759
20 pursuant to RCW 9.46.075, RCW 9.46.153(1), RCW 34.05.440(1), RCW 34.05.461, and WAC
21 230-03-085.

22 III. ORDER

23 This matter having come before the Commission at its November 16, 2021, Commission
24 meeting, the Commissioners having heard arguments, been given the chance to review the
25 administrative record, and being fully advised in this matter, now therefore:
26

1 It is hereby **ORDERED** that Han Lam's gambling license, Number 68-36130, is
2 **REVOKED.**

3
4 DATED this 16th day of November, 2021.

5
6 _____
BUD SIZEMORE, Chair

_____ JULIA PATTERSON, Vice Chair

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8 _____
ALICIA LEVY

_____ KRISTINE REEVES

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10 _____
11 SARAH LAWSON

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NOTICE

Reconsideration: RCW 34.05.470 and WAC 230-17-140 provide that a party may file a petition for reconsideration of a final order. A petition for reconsideration must be received no later than thirteen (13) days after the date this final order is mailed. Any motion for reconsideration must state the specific grounds supporting the party's request for reconsideration.

Stay of Final Order: Filing for reconsideration does not stay the effectiveness of this Order. WAC 230-17-145 provides that a party may petition the Commission for a stay of a final order. Any petition for a stay should be received by the Commission within thirteen (13) days after the date this final order is mailed.

Judicial Review: RCW 34.05.542 provides that a party may appeal this final order by filing a petition for judicial review within thirty (30) days after service of this order. A petition for judicial review must be filed with the appropriate superior court and served upon both the Commission and the Office of the Attorney General.

Service: This Order was served on you three days after it was deposited in the United States Postal Service regular mail, excluding the date of mailing. WAC 230-17-035.

Any motions or petitions for judicial review should be served on or mailed to:

Washington State Gambling Commission
Legal and Records Division
4565 7th Avenue S.E., Lacey, WA
P.O. Box 42400
Olympia, WA 98504-2400

Doug Van de Brake
Attorney General's Office
1135 Washington St. SE
P.O. Box 40100
Olympia, WA 98504-0100

CERTIFICATE OF SERVICE

I certify that on the date below I served a copy of the foregoing document on all parties and/or their counsel by United States Postal Service regular mail to the following:

HAN H LAM
13655 171ST AVE SE
RENTON WA 98059

EXECUTED this ____ day of November, 2021, at Lacey, Washington.

Ashlie Laydon
Rules Coordinator

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**STATE OF WASHINGTON
GAMBLING COMMISSION**

In the Matter of: HAN H LAM License No. 68-36130 <hr/> Licensee.		NO. CR 2021-00759 NOTICE OF ADMINISTRATIVE CHARGES
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These Administrative Charges is brought under and in accordance with Chapter 9.46 RCW, the Washington State Gambling Act, Chapter 34.05 RCW, the Administrative Procedure Act, and Title 230 WAC, Rules adopted by the Gambling Commission.

I. APPLICATION

1. The Washington State Gambling Commission (WSGC) issued Licensee Han Lam a gambling license, License No. 68-36130, authorizing Public Card Room Employee activity at Roman Casino in Seattle, Washington.
2. This license, which expires on May 10, 2022, was issued subject to Lam’s compliance with state gambling laws and Commission rules.

II. FACTUAL BACKGROUND

1. On May 28, 2021, a WSGC Special Agent was assigned to conduct a post-licensing review of Licensee Han Lam’s file, to look into potentially undisclosed criminal history. In his Public Card Room Employee application, filed on May 11, 2021, Lam had disclosed a criminal history, but the crime he listed was not found through an initial criminal history check.

1 2. As part of the application process, applicants are asked whether they have ever:
2 a) Forfeited bail or paid a fine over \$25, b) Been arrested, c) Been charged with a crime, d)
3 Been convicted, e) Been jailed, or f) Been placed on probation. If the answer to any of those
4 questions is “Yes”, applicants must provide further details on the incident(s).¹

5 3. In his application, Lam disclosed that he was charged with Conspiracy in
6 Seattle, WA in 2008. Upon receipt of the application, a routine criminal history check was
7 conducted through the Judicial Access Browser System (JABS)².

8 4. When Lam’s name was entered into JABS, an exact match of Lam’s full name
9 and birthdate was discovered. The records that were discovered for that match showed a
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21 because the driver’s license did not match, and the dates of birth were not close. The other
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24 ¹ In addition to provide the information requested, all applicants are also required to sign the Oath of
25 Applicant, which reads, “I declare under penalty of perjury, under the laws of the state of Washington, that all
26 information provided in this application is true and complete to the best of my knowledge. I understand that
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16 12. On September 7, 1995 Lam, who was 16 at the time the crime occurred, entered
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21 13. For this crime, Lam was sentenced to 134 months confinement.

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I have read this Notice of Administrative Charges, know the contents of it, believe it to be true, and have executed this Notice in my capacity as Director of the Washington State Gambling Commission.



GARY DRUMHELLER
ACTING ASSISTANT DIRECTOR
Washington State Gambling Commission

7/19/2021
Date

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HEARING NOTICE

You have the opportunity to request a hearing to contest the Commission's decision to revoke your public card room employee license. To request a hearing and/or discuss settlement options, the Commission must receive the enclosed hearing request form within 23 days from date of our mailing identified below. *Failure to return the enclosed hearing request will result in a default order revoking your license.*

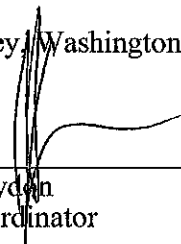
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CERTIFICATE OF SERVICE

I certify that on the date below I served a copy of the foregoing document on all parties or their counsel by United States Postal Service regular and certified mail to the following:

HAN H LAM
13655 171ST AVE SE
RENTON WA 98059

EXECUTED this 21 day of July, 2021, at Lacey, Washington.



Ashlie Layden
Rules Coordinator

Tab 11

Vice Chair Patterson will provide an update on the Director Hire.