



STATE OF WASHINGTON
GAMBLING COMMISSION

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

TO: **COMMISSIONERS**
 Bud Sizemore, Chair
 Julia Patterson, Vice-Chair
 Ed Troyer
 Alicia Levy
 Lauren King

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

FROM: David Trujillo, Director

SUBJECT: **Sports Wagering**

Dear Commissioners and Ex-Officio members, I wish I could be with you today to update you on our current Sports Wagering initiative.

Presently, we have received four referrals from the Governor’s Office. Each referral is a specific request from a Tribe to the Governor requesting to enter Sports Wagering negotiations or amend an ongoing negotiation to include Sports Wagering. Once we receive a referral from the Governor’s office, we have thirty days to hold an initial meeting. We have met with two Tribes already and started the negotiations. We are in the process of scheduling introductory meetings with the other two “referral” Tribes. We also know of at least two additional Tribes that have indicated they will also request negotiations.

It is my goal to be as transparent as the negotiation process will allow so that Washington Policy makers, elected officials and the citizens of our state have full confidence in our Sports Wagering Compacting process.

I hope we can all agree that we want Sports Wagering to be beneficial to Tribal communities and the surrounding and local communities. We want the activity to be legal and honest for patrons and any ill effects associated with sports wagering mitigated. We all want the process to happen as expeditiously as possible, but we must face the fact that we are one agency and we know that our time is finite. If we were to have received one request, that sole request would receive 100% of our sports wagering attention. Two requests effectively divide the time we can dedicate to each and four requests fracture that time even more.

However, we are not sitting idly by. We are dedicating the staffing and resources necessary to demonstrate to law makers we are worthy of their trust. We have a dedicated negotiation team of professionals that will make this happen. We also have 5 internal work groups already working on the 5 pillars outlined in the foundational statute passed by the Legislature this past session. We are working vigorously to determine best practices and the best licensing and regulatory structure that meets the needs of both the Tribe and the State. We are looking at ways to ensure we hold criminals accountable and that laundering ill-gotten gains is actively discouraged. We are looking at agency funding so that licensure and cost recovery encourages the Tribe and the State to have an ongoing and mutually beneficial connection. We are, looking at how best to

ensure the integrity of the activity and we are being mindful of what we can all do to help those suffering from gambling disorders. We were asked by policy makers to NOT reinvent the wheel but look to what other jurisdictions are doing and do what makes sense here. We are doing that.

We know that coming to an agreed upon language will take several months. If our attention is divided, that process will take longer. We also know that once compact language is tentatively agreed upon, it must be presented to the Legislature for public hearing and then presented before the Commission. We know that the compact signature process takes time. We also know that once the amendment is signed by both parties it is submitted to and follows the federal approval process. That process can take up to 45 days once the amendment is received by them, or longer with governmental shutdowns or other delaying circumstances. My point is that this process takes time and coming to an agreed upon language is not the end to the process. Gambling Commission staff are familiar with the timelines and will be realistic even if that realism is not what people want to hear.

Sports Wagering is the most significant change to the gambling landscape in our state in over two decades. We do not take this responsibility lightly. Buckle up, it is going to be a fun ride.

Please accept my apologies for not being present but I hope to be back with you at the July Commission meeting.

Dave