



STATE OF WASHINGTON  
GAMBLING COMMISSION

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

**April Gambling Commission Meeting Minutes**

The Heathman Lodge  
7801 NE Greenwood Dr.  
Vancouver, WA

**Public Meeting  
April 12, 2018**

**Commissioners Present:**

Bud Sizemore, Chair  
Julia Patterson, Vice Chair  
Chris Stearns  
Ed Troyer  
Alicia Levy

**Ex Officios Present:**

Senator Steve Conway

**Staff Present:**

David Trujillo, Director; Amy Hunter, Deputy Director; Matt Kernutt, Assistant Attorney General; Brian Considine, Legal and Legislative Manager; Julie Lies, Tribal Liaison; Heather Songer, Public Information Officer; Julie Anderson, Executive Assistant.

**Executive Session Call to Order**

**Chair Sizemore** called the April Gambling Commission Meeting to order at 10:05 a.m. and immediately went into Executive Session to discuss Tribal Negotiations, Pending Investigations and Litigation. Executive Session ended at 12:30 p.m.

**Public Session Call to Order**

**Chair Sizemore** called the Gambling Commission meeting to order at 12:40 p.m. and welcomed everyone to the Heathman Lodge, Vancouver WA. Chair Sizemore asked for a moment of silence to recognize law enforcement officers across the country that were lost in the line of duty.

There were 25 people in attendance.

**Tab 1**

***Consent Agenda:***

***Commissioner Patterson moved to approve the consent agenda as presented by staff with adjustments removing Kelly's Bar and Grill Cardroom Licensee and Cowlitz Indian Tribe Class III certifications from the consent agenda.***

***Commissioner Troyer seconded the Motion.***

***The Motion passed. 5:0***

***Commissioner Patterson moved to approve the new license for Kelly's Bar and Grill as presented.***

***Commissioner Troyer seconded the motion.***

*The motion passed 4:0  
Commissioner Levy abstained.*

*Commissioner Patterson moved to approve the Cowlitz Indian Tribe Class III Gaming Employee Certifications as presented.*

*Commission Troyer seconded the motion.*

*The motion passed. 4:0*

*Commissioner Stearns abstained.*

*Commissioner Patterson moved to approve the Snoqualmie Class III Gaming Employees Certifications as presented.*

*Commissioner Troyer seconded the Motion.*

*The Motion passed. 4:0*

*Commissioner Stearns abstained.*

**Chair Sizemore** introduced the Commissioners at the table and the newest Commissioner Ms. Alicia Levy to the audience. Commissioner Levy is an attorney specializing in business law, estate planning and real estate law. She completed her undergraduate work at Washington State University in 2003 and graduated from Gonzaga University School of Law in 2010. Commissioner Levy gained experience working in larger law firms in the region before starting her own firm in Spokane in 2015. Welcome Commissioner Levy.

### **Director's Report**

**Director Trujillo** welcomed everyone to the Heathman Lodge as well as welcoming Commissioner Levy to the Gambling Commission. He started his report by highlighting the recent ruling by the U.S. Supreme Court that strikes down the federal law (Professional and Amateur Sports Protection Act) prohibiting most U.S. states from authorizing sports betting. He explained that sports betting is still illegal in Washington State. Churchill Downs may request a larger group of Ninth Circuit judges review and issue a decision or appeal to the U.S. Supreme Court if the review request is denied or the review does not overturn the decision. Additional lawsuits have been filed against at least five other free-to-play casino game sites. These have been filed in US District Court in Seattle and Tacoma. In order for sports betting to become legal in Washington, the Legislature would need to vote to authorize it. The Gambling Commission has received several calls from customers, saying that some online social gaming platforms not allowing Washington residents access to their sites. He reminds everyone that the discontinuance of service to Washington residents is a business choice, and all communication should be directed to the respective online businesses. Director Trujillo says that this is a significant decision that will likely change the landscape of gambling in the United States. He also commented on the general fund's state appropriation of \$50,000 for the Gambling Commission to contract for a study to look at services available to problem and pathological gamblers and their families for Washington. The release of these state appropriated funds is contingent upon securing matching funds. The study is due to the legislature on February 15th, 2019. The study should be presented to the Commissioners at the January 10, 2019 Commission public meeting to consider policy recommendations. In order to accomplish this, the study should be to Gambling Commission staff by the first part of December 2018. Director Trujillo is hopeful for

securing a vendor by the end of June 2018. A small workgroup was formed. That work group consisted of; Chairman Ron Allen, Cowlitz Tribe of Indians; Rebecca Kaldor and Ernie Stebbins from Washington Indian Gaming Association; Ann Gray from Department of Social Health Services; Dr. Ty Lostutter from University of Washington; Dolores Chiechi director of Recreation and Gaming Association; Chris Massey, Attorney and Lobbyist, Amber Lewis. Agency staff that are part of that work group are Director Trujillo, Julie Lies, Tribal Liaison and Brian Considine, Legal and Legislative Manager and Lori Boyd, Contracts Specialist. The group discussed what information was needed and the short turnaround time for the study. **Senator Conway** asked Director Trujillo if the work group discussed the deliverables of the contract. **Director Trujillo** responded the work group had not discussed the deliverables, just the statutory language. **Senator Conway** shared his concerns with the Commissioners that he is trying to clearly understand the motivation behind problem gambling study, and to his recollection the commission last visited problem gaming in 2004 or 2005. And lastly, he says that Washington has seen a vast change in the gaming industry since that time. Senator Conway says that he thinks it's appropriate to review the resources that we're using and whether we should be putting more resources into problem gaming in this state. He also reiterated that as the Gambling Commission develops this list of deliverables, recognizing that some of deadlines for producing studies for the legislature are subject to the demands of the study as well. And, he knows that most of the agencies, when the legislature directs a person to do a study, expects to have it done by the time frames that the legislature lays out in the law. **Director Trujillo** continued his report by introducing the agenda for the Strategic planning process for the next day. He said the last strategic plan was crafted in 2014 and will sunset in late 2018. **Deputy Director Amy Hunter** shared the Business Initiative handout to the Commissioners and explain it in detail.

### **2018 Legislative Wrap-up**

**Legal and Legislative Manager Brian Considine** presented the legislative materials. Mr. Considine reported that this is the time to be thinking of agency request legislation. He will be coming to the June Commission meeting to collect commissioner's ideas. He went over the problem gambling task force and self-exclusion bill that was before the Commissioners earlier this year. **Commissioner Patterson** asked Senator Conway he was considering the idea of a problem gambling workshop in the Senate. She explained that she was a part of a very successful workshop in the House. **Senator Conway** mentioned talking to the Chair about that topic and he knows of several meetings of the Senate Commerce and Labor Committee. He brought the idea up about doing something like they did in the House as well. So we'll just have to wait and see on that one. Mr. Considine reminded Commissioners of his plans to meet with Senator Kieser and Senate staff regarding sports betting.

### **Tab 2**

#### **Defaults**

**Legal and Legislative Manager, Brian Considine** presented the default materials.

#### **1) Madison S. Nom, CR 2017-01578.**

**Chair Sizemore** asked if Ms. Madison S. Nom was in the audience. She was not.

*Commissioner Patterson moved to revoke the Class III Certification for Madison S. Nom. Commissioner Stearns seconded the Motion.*

*The Motion passed. 5:0*

**2) Sophia Maria A. Haro, CR 2017-01452**

**Chair Sizemore** asked if Ms. Sophia Maria A. Haro was in the audience. She was not.

*Commissioner Stearns moved to revoke the Class III Certification for Sophia Maria A. Haro.*

*Commissioner Patterson seconded the Motion.*

*The Motion passed. 5:0*

**3) Remy S. Dewey, CR 2017-01566**

**Chair Sizemore** asked if Mr. Remy S. Dewey was in the audience. He was not.

*Commissioner Troyer moved to revoke the Class III Certification for Remy S. Dewey.*

*Commissioner Levy seconded the Motion.*

*The Motion passed. 5:0*

**4) Joshua R. Choppin, CR 2017-01633**

**Chair Sizemore** asked if Mr. Joshua R. Choppin was in the audience. He was not.

*Commissioner Stearns moved to revoke the Public Card Room Employee Revocation for Joshua R. Choppin.*

*Commissioner Patterson seconded the Motion.*

*The Motion passed. 5:0*

**Tab 3**

**Petition for Rule Change/Gambling Promotions**

The petitioner Dennis Korthouwer from Hit Utopia, Inc. withdrew his petition to request a rule change.

**Tab 4**

**Staff Request for Rule Change/Fee Simplification (Package #5)**

**Deputy Director Amy Hunter** presented the materials for discussion only for Tab 4. This package is the fifth package brought forward to simplify the Commission's licensing fee structure. Specifically, this package amended language activity reporting requirements and added that they submit a quarterly license report for each quarter they hold a license even if they have paid their annual maximum license fee. This package is up for final action to be taken at the May special meeting.

**Public Comment:** There was no public comment.

**Tab 5**

**Petition for New Rules/Pre-Shuffled Cards**

**Deputy Director Amy Hunter** presented the materials for discussion only for Tab 5. Petitioner John McNutt requested a rule change to allow pre-shuffled cards to be used in the card game mini-baccarat. Staff requested additional rule changes to ensure the integrity of the pre-shuffled card manufacturing process. Mr. McNutt narrated a short video explaining the process. This petition is up for final action at the May special meeting. **Chair Sizemore** asked about the card usage and if the cards would be used for multiple games. **Mr. John McNutt** explained that the cards are only used one time then discarded.

**Public Comment:** There was no public comment.

**Tab 6**

**Soft Count Demonstration**

**Petitioner Stacy Hess**, from Great American Casino, presented a video to the Commissioners demonstrating the soft count procedures. She is asking the commissioners to approve a rule change that would require two (2) employees instead of three (3) if an automatic bill counter is used in the cage.

**Public Comment:** There was no public comment.

**Other Business/General Discussion/Public Comment**

**Chair Sizemore** reminded the audience that the Strategic planning discussion would take place at 9:00 am tomorrow morning in this room and everyone is welcome. He called for any other general business discussion at this time and opened the floor for public comment.

**Public Comment:** There was no public comment.

Ms. Dolores Chiechi, Executive Director of the Recreational Gaming Association (RGA) wanted to say for the record that the individuals that were mentioned in the news regarding criminal activity in the Macau Casino in Federal Way are not members of RGA. She appreciates the Commission's action on the matter to ensure that gambling stays legal and honest.

The Commission meeting adjourned at 2:05 pm.