



STATE OF WASHINGTON

GAMBLING COMMISSION

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

Hilton Garden Inn - 2101 Henderson Park LN SE - Olympia, WA 98501

Friday, March 13, 2020, 11:00 AM

Call-in 360-407-3780 / Pin Code 561115#

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

8:30-10:30	Executive Session - Closed to the Public Discuss agency enforcement actions, litigation and potential litigation with legal counsel, including tribal negotiations.	<i>Bud Sizemore, Chair</i>
Tab 1 11:00	Call to Order Welcome and Introductions <ul style="list-style-type: none"> <i>Moment of Silence</i> *Consent Agenda <ul style="list-style-type: none"> February 13, 2020 Commission Meeting Minutes New Licenses and Class III Employees *Quinault Nation Class III Employees Director’s Report	<i>Bud Sizemore, Chair</i> (Action) (Action) <i>David Trujillo, Director</i>
Tab 2	RULE UP FOR FINAL ACTION *Staff Proposed Rule-Making <ul style="list-style-type: none"> Fee Simplification; Amendments 	(Action) <i>Ashlie Laydon, Rules Coordinator</i>
Tab 3	RULE UP FOR FINAL ACTION *Staff Proposed Rule-Making <ul style="list-style-type: none"> Fee Simplification; Repeals 	(Action) <i>Ashlie Laydon, Rules Coordinator</i>
Tab 4	RULE UP FOR DISCUSSION AND POSSIBLE FILING *Petition to Initiate Rule-Making <ul style="list-style-type: none"> 50/50 Electronic Raffles 	(Action) <i>Mari Horita, NHL Seattle</i> <i>Amber Carter, Seattle Mariners</i> <i>Brian Considine, Legal and Legislative Manager</i>
Tab 5	2020 Legislative Recap	<i>Brian Considine, Legal and Legislative Manager</i>
	Public Comment	
	Adjourn	

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



STATE OF WASHINGTON
GAMBLING COMMISSION

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

February Gambling Commission Meeting Minutes

Hilton Garden Inn
2101 Henderson Park Lane S.E.
Olympia, WA 98501
Public Meeting
February 13, 2020

Commissioners Present:

Bud Sizemore, Chair
Julia Patterson
Ed Troyer
Alicia Levy (Via phone)

Ex Officio Members Present:

Staff Present:

David Trujillo, Executive Director; Tina Griffin, Assistant Director; Brian Considine, Legal and Legislative Manager; Julie Lies, Tribal Liaison; Heather Songer, Public Information Officer; Julie Anderson, Executive Assistant; and Suzanne Becker, Assistant Attorney General.

Public Meeting Call to Order

Chair Sizemore called the Gambling Commission meeting to order at 10:02 a.m. and welcomed everyone to the Hilton Garden Inn. Chair Sizemore acknowledged a moment of silence to recognize law enforcement officers who were lost in the line of duty since our last meeting.

There were 12 people in the audience.

Tab 1

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

Commissioner Patterson seconded the motion.

The motion passed 4:0

Director's Report

Director Trujillo mentioned that the agency's annual report would be available on our website next week. In addition, he mentioned that this report is not meant to replace the statistical report currently on our website or the strategic plan. Director Trujillo shared that the Washington State Lottery, Horse Racing Commission and the Gambling Commission meet on a regular basis. At its last meeting, the Horse Racing Commission gave Director Trujillo a scratch ticket coin that has the Problem Gambling Hotline on the back. He passed around the sample. Special Agent (SA) Lisa Saila recently received a thank-you letter from an individual she helped who was struggling with problem gambling. Director Trujillo read the communication to the commissioners. Director Trujillo addressed the Antioch Community Center letter that the Gambling Commission received. Finally, Director Trujillo reminded commissioners that March is Problem Gambling Awareness Month and that the next Problem Gambling Task Force meeting is scheduled for April 20.

Tab 2

Staff-Proposed Rule Making

Ashlie Laydon, Rules Coordinator (RC), presented the materials for this tab. Ms. Laydon reported that in 2017-18, the Gambling Commission amended its rules to simplify its reporting and licensing fee structure. After a year of implementation, staff proposes amending the received dates in WAC 230-05-124, Quarterly license reports and quarterly license fees, to not only be consistent with the last date of the month, but to also be consistent with received dates of other state agencies as well. A review of our records found that 506 quarterly licensed reports were filed one day late. Changing the received dates to the 31st of July, October, and January may help to improve compliance rates. Ms. Laydon said Staff recommends filing the proposed language for further discussion.

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

Commissioner Troyer moved to direct staff to file draft language.

Commissioner Patterson seconded the motion.

The motion passed 4:0

Tab 3

Staff-Proposed Rule Making

RC Laydon, presented the materials for this tab and explained that a header exists within WAC 230-06 titled, "License Renewals and Activity Reports." This header is no longer relevant because activity reports are no longer used; therefore this header should be repealed. Staff has also identified four definitions listed under this section that are referenced in other chapters of WAC:

- WAC 230-06-155- Defining "gross sales." is also used in Chapter 230-03 WAC.
- WAC 230-06-160- Defining "net gambling receipts." is also used in Chapter 230-07 WAC and Chapter 230-10 WAC.
- WAC 230-06-165- Defining "net gambling income." is also used in Chapter 230-07 WAC.
- WAC 230-06-175- Defining "cost." is also used in Chapter 230-14 WAC.

She said Staff recommends placing these definitions at the beginning of each chapter where they are referenced, to assist licensees and that Staff also recommends amending the following definitions to further clarify sales tax:

- WAC 230-06-160- Defining "net gambling receipts."
- WAC 230-06-175- Defining "cost."

Finally, she said Staff recommends initiating rule-making to repeal the header titled, "License Renewals and Activity Reports," place the definitions used throughout chapters of WAC at the beginning of each chapter they are referenced, and to amend WAC 230-06-160 and WAC 230-06-175 to clarify sales tax.

Commissioner Patterson moved to direct staff to initiate rule-making to repeal the header title "License Renewals and Activity Reports," placing definitions used throughout chapters of WAC, as proposed by staff.

Commissioner Troyer seconded the motion.

The motion passed 4:0

Chair Sizemore asked for public comments. There were no public comments.

Tab 4

Petition for Rule Change

Regarding this petition, Chair Sizemore asked if the petitioner, Mr. Buyak, was in the audience. He was not. **RC Laydon**, presented the materials for this tab. Ms. Laydon reported that the petitioner is proposing to adopt a rule to allow commercial gambling in Washington. Several attempts were made to reach the petitioner for more information (by email on Jan. 2, 2020, and by phone on Jan. 22, 2020 and Jan. 29, 2020) with no success.

RCW 9.46.010 does not allow for commercial gambling in this sense. Furthermore, WAC 230-17-190, Information required on a petition, outlines what information must be included in a petition, which the petitioner failed to provide.

Commissioner Troyer moved to deny the petition in writing as Washington State statutes does not allow commercial gambling.

Commissioner Patterson seconded the motion.

The motion passed 4:0

Chair Sizemore asked for public comments. There were no public comments.

Tab 5

2020 Legislative Update

Brian Considine, Legal and Legislative Manager (LLM), presented the materials for this tab. Commissioners and LLM Considine discussed highlights of the current 2020 session, status of agency request bills, and bills that impact the gambling industry. LLM Considine informed them that agency request bill SB 6119 passed the Senate by a 47-2 vote and SB 6120 passed the Senate by a 46-0 vote.

- That SB 6357, increasing wager limit for pull-tabs, also passed out of committee and was awaiting a Senate floor vote; and HB 2216, sports boards, was also passed out of committee and in House Rules.

That the House Commerce and Gaming Committee heard a tribal-only sports gambling bill, HB 2638; and the Senate Labor and Commerce Committee heard the tribal-only companion bill, SB 6394, as well as a cardroom-backed bill, SB 6277. He briefed the commissioners about the different sports gambling bills and informed them that HB 2638 was passed out of committee and to referred to Rules. SB 6394 was passed out of committee and referred to Senate Ways and Means. The Senate bill backed by Maverick Gaming was not passed out of committee. That the tribal-only bills, as amended in committee, cover the five pillars identified by the commissioners at their January public meeting. Those five pillars: (1) Licensing and Regulation; (2) Agency Funding; (3) Money Laundering and Criminal Enforcement; (4) Sports and Gambling Integrity; and (5) Responsible and Problem Gambling were not in the original draft, but the sponsors of the bill listened to the agency and the amended bill to address each area to staff's satisfaction.

Commissioners Patterson asked LLM Considine to identify where the five areas of concern are located in the bills. LLM Considine indicated that most sections within the bill address one or more of the pillars and he would e-mail the commissioners with a reference for each section, as applicable. **Chair Sizemore** reported that LLM Considine did a spectacular job so far this legislative session. As chair of the Commission, he thanked LLM Considine for all his work.

Commissioner Patterson asked why the Legislature was moving the tribal-only sports gambling

bills but not the bills including the card rooms. Commissioner Patterson referenced a new Seattle Times op-ed stating card rooms should be included in any sports gambling bill. LLM Considine informed her that he couldn't speak for the large majority of legislators who were voting in favor of the tribal-only bill; however, public comments would indicate that the card room bill's inclusion of online gambling was not acceptable to most legislators and that those in favor of the tribal-only bill supported the policies in that bill over the card room bill.

Public Comment

There was no additional public comment.

Executive Session

Chair Sizemore announced that the next 2 hours would be dedicated to executive session where the commissioners would discuss agency criminal enforcement actions, current and potential litigation, including tribal negotiations. He announced that the meeting would reconvene for adjournment purposes only.

The meeting reconvened and adjourned at 12:45 p.m.



COMMISSION APPROVAL LIST
(New Licenses & Class III Gaming Employees)
March 2020

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Based upon the licensing investigations, staff recommends approving all new Licenses and Class III employees listed on pages 1 to 16.

ORGANIZATION NAME

LICENSE NUMBER

PREMISES LOCATION

NEW APPLICATIONS**RAFFLE**

SNOHOMISH BOYS LACROSSE CLUB
00-23690 02-09670

7605 34TH PL NE
MARYSVILLE WA 98291

WASHOUGAL VOLUNTEER FIRE DEPT
00-23077 02-21112

1400 A ST
WASHOUGAL WA 98671

PUNCHBOARD/PULL-TAB NONPROFIT

FOE 00192
00-00007 05-01348

22122 SHERIDAN RD NE
BREMERTON WA 98310

LOOM 01865
00-00454 05-01705

4220 109TH ST SW
LAKEWOOD WA 98499-4131

PUNCHBOARD/PULL-TAB COMMERCIAL STIMULANT

CHRISTYS BAR & GRILL
00-24579 05-21651

1055 SUNSET BLVD NE
RENTON WA 98056

JJ'S GRILL & BREWHOUSE
00-22679 05-21107

8801 N INDIAN TRAIL RD S
SPOKANE WA 99208

ONE TEN LOUNGE/POULSBO
00-22295 05-20996

18881 FRONT STREET STE K
POULSBO WA 98370

THE BARN DOOR
00-24603 05-21661

108 S ILER ST
MOXEE WA 98936

MANUFACTURER

DIGIDEAL CORPORATION
20-00123 20-00123

5105 E THIRD AVE
SPOKANE VALLEY WA 99212

CARD GAME NON HOUSE-BANKED

LOOM 01865
00-00454 60-00406

4220 109TH ST SW
LAKEWOOD WA 98499-4131

ORGANIZATION NAME

LICENSE NUMBER

PREMISES LOCATION

NEW APPLICATIONS**BINGO**

AMERICAN LEGION AUXILIARY RUSSEL BARRETT POST 13 00-24492 01-02792	210 E 3rd ST WAPATO WA 98951
FOE 03480 00-03304 01-01439	112 BRIDGE ST S ORTING WA 98360
GRANGE 00730/ HUMPTULIPS 00-19288 01-02777	32 MCAFEE RD HUMPTULIPS WA 98552
LOOM 01865 00-00454 01-00863	4220 109TH ST SW LAKEWOOD WA 98499-4131

RAFFLE

ASSUMPTION CATHOLIC SCHOOL 00-00375 02-01071	2116 CORNWALL AVENUE BELLINGHAM WA 98225
BACK COUNTRY HORSEMEN OF WASHINGTON 00-24591 02-21099	4111 SCHNEBLY RD ELLENSBURG WA 98926
CENTRAL VALLEY BEAR BOOSTER CLUB 00-16068 02-02682	821 S SULLIVAN ROAD SPOKANE VALLEY WA 99037
GRAND RIDGE PTSA 2.6.10 00-22595 02-09143	1730 10TH AVENW ISSAQUAH WA 98027
GRANGE 00730/ HUMPTULIPS 00-19288 02-20957	32 MCAFEE RD HUMPTULIPS WA 98552
ISSAQUAH VALLEY PTA 2.6.11 00-22591 02-09142	555 NW HOLLY ST ISSAQUAH WA 98027
LOOM 01865 00-00454 02-08772	4220 109TH ST SW LAKEWOOD WA 98499-4131
PMH FOUNDATION 00-24425 02-21037	723 MEMORIAL STREET PROSSER WA 99350
RAT CITY ROLLER DERBY 00-24608 02-21106	9792 EDMONDS WAY EDMONDS WA 98020
ROTARY CLUB/PUYALLUP-SOUTH HILL 00-23425 02-09551	103 35TH AVE SE PUYALLUP WA 98374
SHOREWOOD BOOSTERS 00-09846 02-08606	17818 STONE AVEN SHORELINE WA 98133

ORGANIZATION NAME

LICENSE NUMBER

PREMISES LOCATION

NEW APPLICATIONS

CARD GAME NON HOUSE-BANKED

JAMESTOWN SALOON
00-24602 65-07508

19711 SMOKEY POINT BLVD
ARLINGTON WA 98223

JJ'S GRILL & BREWHOUSE
00-22679 65-07347

8801 N INDIAN TRAIL RD S
SPOKANE WA 99208

PERSON'S NAME
LICENSE NUMBER

EMPLOYER'S NAME
PREMISES LOCATION

NEW APPLICATIONS

DISTRIBUTOR REPRESENTATIVE

HOLDREN, RAY A II
22-01246

JCM GLOBAL
LAS VEGAS NV 89119-3728

MANUFACTURER REPRESENTATIVE

BHAGAVAN RAO, SUBRAMANYA M
23-03072

SCIENTIFIC GAMES
LAS VEGAS NV 89119

BUSELLI, RICHARD R
23-03082

VGT
FRANKLIN TN 37067

CARTER, KASEEM J JR
23-03071

IGT
LAS VEGAS NV 89113

DAVIS, CHAD E
23-03070

VGT
FRANKLIN TN 37067

FLORES, ENOS C
23-03075

EVERI GAMES INC.
AUSTIN TX 78746

KELLOWAY, SHEENA L
23-02404

SCIENTIFIC GAMES
LAS VEGAS NV 89119

LONG, AUSTIN T
23-03078

SCIENTIFIC GAMES
LAS VEGAS NV 89119

OKEEFE, MARK D
23-03076

EVERI GAMES INC.
AUSTIN TX 78746

PIRAINO, JOHN P
23-03073

GAMING ARTS
LAS VEGAS NV 89119-3504

RAYAPATI, SURESH K
23-03079

SCIENTIFIC GAMES
LAS VEGAS NV 89119

SLEIK, MEGHAN E
23-03081

ARISTOCRAT TECHNOLOGIES INC
LAS VEGAS NV 89135

SMITH, TRAVIS D
23-03077

SCIENTIFIC GAMES
LAS VEGAS NV 89119

TRACY, TARA A
23-02097

SCIENTIFIC GAMES
LAS VEGAS NV 89119

VERES, KRISZTIAN
23-03074

GAMING ARTS
LAS VEGAS NV 89119-3504

PERSON'S NAME

EMPLOYER'S NAME

LICENSE NUMBER

PREMISES LOCATION

NEW APPLICATIONS**MANUFACTURER REPRESENTATIVE**WEAVER, ERWIN E
23-03083EVERI PAYMENTS INC
LAS VEGAS NV 89113-2175**NON-PROFIT GAMBLING MANAGER**DAVIS, JAMES W JR
61-04401FOE 02577
GRAND COULEE WA 99133-0079SLUSSER, GINA R
61-04727VFW 01135
HOQUIAM WA 98550**SERVICE SUPPLIER REPRESENTATIVE**BOHLKE, JON H II
63-00918TECHNOLOGENT
IRVINE CA 92618BURNHAM, CLINTON L
63-00924RELIABLE SECURITY SOUND & DATA
EVERETT WA 98206-1295FLORES, GENE B
63-00926TECHNOLOGENT
IRVINE CA 92618GILHAM, NICHOLAS J
63-00922SALISHAN-MOHEGAN LLC
VANCOUVER WA 98660GROSS, EARON K
63-00913RELIABLE SECURITY SOUND & DATA
EVERETT WA 98206-1295JOHNSON, ALLEN K
63-00914TECHNOLOGENT
IRVINE CA 92618LEE, SEN H
63-00928TECHNOLOGENT
IRVINE CA 92618LEHRNER, DAVID S
63-00915TECHNOLOGENT
IRVINE CA 92618MORENO, MARCUS R
63-00916TECHNOLOGENT
IRVINE CA 92618NOBILE, CHRISTOPHER D
63-00920SALISHAN-MOHEGAN LLC
VANCOUVER WA 98660SMITH, SHAWN C
63-00917TECHNOLOGENT
IRVINE CA 92618

PERSON'S NAME
LICENSE NUMBER

EMPLOYER'S NAME
PREMISES LOCATION

NEW APPLICATIONS

SERVICE SUPPLIER REPRESENTATIVE

STEVENSON, PHILIP D
63-00925

TECHNOLOGENT
IRVINE CA 92618

TACK, SHELLY M
63-00921

SALISHAN-MOHEGAN LLC
VANCOUVER WA 98660

TRUJILLO, ROLAND L
63-00919

MAVERICK WASHINGTON
KIRKLAND WA 98034

WAGNER, ANNA K
63-00923

SALISHAN-MOHEGAN LLC
VANCOUVER WA 98660

WONG, ADRIAN H
63-00927

TECHNOLOGENT
IRVINE CA 92618

CARD ROOM EMPLOYEE

ALCINA, JAVIER D
68-35648

B

SILVER DOLLAR CASINO/RENTON
RENTON WA 98057

BARTHOLOW, JEANICE R
68-35653

B

PAPAS CASINO RESTAURANT & LOUN
MOSES LAKE WA 98837

BOUNCHANH, TIFFANY K
68-30718

B

GREAT AMERICAN CASINO/TUKWILA
TUKWILA WA 98168

BRADLEY, DEAN A
68-35662

B

JAMESTOWN SALOON
ARLINGTON WA 98223

CASTAS, ALEXANDER N
68-35664

B

CARIBBEAN CARDROOM
KIRKLAND WA 98034

CHHOUY, EAM
68-06723

B

GREAT AMERICAN CASINO/TUKWILA
TUKWILA WA 98168

CHOM, MOM
68-10630

B

SILVER DOLLAR CASINO/SEATAC
SEATAC WA 98188

CONWELL, MACKENZIE S
68-35656

B

GOLDIE'S SHORELINE CASINO
SHORELINE WA 98133

DEVANEY, JULIA A
68-14419

B

CASINO CARIBBEAN
KIRKLAND WA 98034

ELDRIDGE, CHEYENNE D
68-35645

B

PALACE CASINO LAKEWOOD
LAKEWOOD WA 98499-8434

PERSON'S NAME
LICENSE NUMBER

EMPLOYER'S NAME
PREMISES LOCATION

NEW APPLICATIONS

CARD ROOM EMPLOYEE

FARNWORTH, CHRISTOPHER M 68-35657	B	GOLDIE'S SHORELINE CASINO SHORELINE WA 98133
FENG, XIAOYUN 68-34624	B	SILVER DOLLAR CASINO/RENTON RENTON WA 98057
GANATOS, DJAMIAH M 68-22145	B	SILVER DOLLAR CASINO/RENTON RENTON WA 98057
GAULTNEY, KATHLEEN R 68-35661	B	PALACE CASINO LAKEWOOD LAKEWOOD WA 98499-8434
GOEKEN, ADA D 68-33297	B	CLEARWATER SALOON & CASINO EAST WENATCHEE WA 98802
HARVEY, JEREMY L 68-14326	B	GREAT AMERICAN CASINO/EVERETT EVERETT WA 98204
HUA, XIA 68-35660	B	GOLDIE'S SHORELINE CASINO SHORELINE WA 98133
IM, CHANTHY 68-33941	B	CLUB HOLLYWOOD CASINO SHORELINE WA 98133
ISAAC, STEVEN M 68-32243	B	CRAZY MOOSE CASINO/PASCO PASCO WA 99301
JENSEN, CHRISTOPHER A 68-04464	B	GREAT AMERICAN CASINO/EVERETT EVERETT WA 98204
LAM, LISA P 68-35636	B	FORTUNE CASINO - TUKWILA TUKWILA WA 98168
LANG, BRUCE A 68-31087	B	LANCER LANES/REST AND CASINO CLARKSTON WA 99403-2219
LOGOLEO, ALIVAA SILAULAUD 68-35647	B	GREAT AMERICAN CASINO/TUKWILA TUKWILA WA 98168
NGUYEN, HONG T 68-32125	B	ROMAN CASINO SEATTLE WA 98178
NGUYEN, JENNIFER V 68-35640	B	GOLDIE'S SHORELINE CASINO SHORELINE WA 98133
NGUYEN, NIKKI 68-22915	B	SILVER DOLLAR CASINO/RENTON RENTON WA 98057

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

CHEHALIS CONFEDERATED TRIBES

DHONE, STACIE K
69-48280

GRABOW, ADAM M
69-48325

MILLER, LORI L
69-32174

SANCHEZ, ANDY M
69-48281

SKEEN, ASHLYN D
69-48262

COLVILLE CONFEDERATED TRIBES

BERCIER, WENDY K
69-26275

BOESEL, CHRISTY L
69-47998

CAIN, JULIE M
69-48001

CRISPIN, ANNETTE R
69-48059

MCDONALD, GERALDINE L
69-24050

OLIVA, KELLY D
69-23217

PANTE, VICTORIA C
69-48000

PEEBLES, LUCAS R
69-47988

STANGER, SCOTT J
69-48003

VENEGAS GARCIA, ELISEO A JR
69-29811

COWLITZ INDIAN TRIBE

ANGLEMYER, DEBRA A
69-48300

BRUNSON, GREGORY S
69-48253

CROSS, INDIANA G
69-48244

GRIFFIN, JANICE C
69-48299

HARDIN, JUSTIN D
69-48304

JENNINGS, SARASIN
69-41102

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

COWLITZ INDIAN TRIBE

MIGNECO, MELLISSA M
69-48208

MULLINS, JEANANN M
69-48307

NGUYEN, THY T
69-48210

PETERSON, JANELLE L
69-48318

RIMES, TAYLOR M
69-48213

SCHAFFER, CODY A
69-48301

SIGMAN, SAMUEL A
69-48243

SLATER, ROBIN G
69-48209

WATTERS, SKYLER G
69-48305

WILSON, KACIE A
69-48216

WISNER, TARA M
69-48217

ZEITZ, REBECCA
69-48306

KALISPEL TRIBE

BIGSMOKE, KIEANA C
69-48323

CHRISTENSON, LEVI A
69-48322

REEVES, PAULA K
69-48295

SADLER, PATRICIA A
69-48294

STEMEN, CHRISTOPHER J
69-48263

LUMMI NATION

KUMAR, ASHISH A
69-48283

PHAIR, JOHN JR
69-48289

PLASTER, HAROLD J JR
69-31755

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

MUCKLESHOOT INDIAN TRIBE

BISSON, NATHANIEL B
69-48326

CABRERA, CARLY J
69-48354

CAYABYAB, JACQUILINE C
69-48286

DEGE, WILLIAM G
69-48285

DOMENDEN, ARIELE E
69-48337

HELMS, YEAN YEAN
69-48313

HIMES, GARRETT H
69-48287

JOHN, TRISTAN M
69-48312

MARES, JASMINE
69-48355

MCRAE, BERNADETTE M
69-10007

MILES, SHAUN V
69-48336

MURPHY-DUFORD, KELSEY E
69-48256

NEBEKER, CHRISTINE A
69-48288

NHEM, CHARLINA R
69-48257

NIMER, JAIRA J
69-48335

ORDONEZ, JENNIFER A
69-48328

ORNEDO, CHRISTY M
69-48332

PANGELINAN, GABRIELLE A
69-48331

RODRIGUEZ B, CRISTIAN R
69-48311

STANFORD, ARISTA A
69-48330

TAGATA, LESLIE A
69-48309

VAIESE-MOSES, ALBERT C
69-48329

VARGAS, XIOMARA V
69-48356

WELCH, CHRISTI M
69-48284

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

MUCKLESHOOT INDIAN TRIBE

YAN, WING MAN
69-48358

NISQUALLY INDIAN TRIBE

ASK, JUDITH A
69-20659

COUSINEAU, ALLEGRA C
69-48278

KELLEMS, ALLISON R
69-48279

LADSON, THOMAS L
69-06705

MC CLOUD, SAPAQHASES J
69-43634

MCKENNA, DEVON J
69-14737

PRADO, JASON C
69-48276

REIM, KRANE
69-31481

NOOKSACK INDIAN TRIBE

ANDERSON, MERRILEE G
69-12789

BOTTERON, SHARON A
69-15364

BOYD, DONNA S
69-01478

JOHNSON, ISABEL A
69-48333

PORT GAMBLE S'KLALLAM TRIBE

ARMSTRONG, MARGARITA M
69-26146

HERBERT, PAUL J
69-48251

STALEY, SABRINA L
69-48250

ZWIEFELHOFER, PETER J
69-48252

PUYALLUP TRIBE OF INDIANS

DEMARCO, JOSEPH T
69-48293

HOGeweIDE, DAVID M
69-44970

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

PUYALLUP TRIBE OF INDIANS

JACOBS, JANA E R
69-48316

JARRETT, PATRICK B
69-48266

KILLINGSWORTH, KARL H
69-48269

LEAPAI, POE F
69-48267

LOMBOY, JEANNIE S
69-48270

SANDERS, JA-QUETTA M
69-48248

SANDERS, JA-SUNNA I
69-48249

SHUMAN, JANET
69-48314

TYCZ, JEREMY J
69-48315

SNOQUALMIE TRIBE

CATES, CODY N
69-48264

DUVALL, JEFFREY K
69-48265

NGUYEN, DOUG V
69-03275

SAVATHVONGXAY, NUNU M
69-48291

WALKER, CHAY A
69-48292

WOODS, VIRTUE W
69-43646

SPOKANE TRIBE

CHEA, KOSAL
69-48275

CRISPIN, ANNETTE R
69-48059

FLETT, ERICA L
69-48236

LEE, ALEXANDER III
69-48247

SQUAXIN ISLAND TRIBE

ACDAL, VINCENT N
69-48319

BLUEBACK, BRANDON C
69-39118

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

SQUAXIN ISLAND TRIBE

BRADLEY, ROBERT C
69-48246

BROWN, CHRISTOPHER J
69-48341

ERWIN, TIMOTHY D
69-23086

FOX, GREGORY A
69-48302

LI, YUAN
69-36674

STILLAGUAMISH TRIBE

MAGYAR, HAJNALKA
69-48258

MCCLLENAGHAN, BRANDON J
69-48259

ORTIZ, STACY P
69-48321

PALMER, JAMES R
69-48260

SANCHEZ, ROBERTO E
69-48261

SUQUAMISH TRIBE

ANKENY-SHADLE, ANTHONY L
69-48297

CUNNINGHAM, ALEXANDER L
69-48271

DENALL, FERLITA O
69-48296

JAMERSON, KAYLA R
69-48274

MAYBERG, CHARLES P
69-48273

MUK, VOEUNG
69-48272

SWINOMISH INDIAN TRIBAL COMMUNITY

BROWN, PETER R JR
69-48324

CAYOU, SHAUNTIA M
69-48085

PERSON'S NAME

CERTIFICATION / ELIGIBILITY NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEE

THE TULALIP TRIBES

LARSEN, HENNING B
69-20625

OLDHAM, PAULA J
69-01059

UPPER SKAGIT INDIAN TRIBE

AAENSON, ADINA M
69-48255

HEINZMAN, DONALD D
69-48245

MARTINEZ, JONATHAN N
69-48303

YAKAMA NATION

BILL, RENNAE L
69-48351

BUSHMAN, MICHAEL-DAVID A
69-48352

BUTLER, GARY D
69-48268

HERT, ELANORA E
69-33422

HOWELL, KENNA J
69-39409

ISADORE, LIZA O
69-28967

LADD, JAMES E
69-48282

LEE, MAKINLEY G
69-17674

ORTEGA, ANTHONY
69-48350

STEWART, DOROTHY M
69-47752

TAHKEAL, DAVONNA A
69-48215



HOUSE-BANKED PUBLIC CARD ROOM REPORT

Current House- Banked Locations Operating		44			
	City	Commission Approval Date	License Expiration Date	Org #	License #
ACES CASINO ENTERTAINMENT	SPOKANE VALLEY	Mar 13, 2014	Dec 31, 2020	00-23112	67-00325
ALL STAR CASINO	SILVERDALE	Jan 14, 1999	Jun 30, 2020	00-18357	67-00058
BLACK PEARL RESTAURANT & CARD ROOM	SPOKANE VALLEY	Jan 10, 2013	Sep 30, 2020	00-22440	67-00321
BUZZ INN STEAKHOUSE/EAST WENATCHEE	EAST WENATCHEE	Oct 10, 2002	Dec 31, 2020	00-11170	67-00183
CARIBBEAN CARDROOM	KIRKLAND	Nov 14, 2019	Sep 30, 2020	00-24515	67-00343
CASINO CARIBBEAN	KIRKLAND	Nov 14, 2019	Sep 30, 2020	00-24512	67-00341
CASINO CARIBBEAN	YAKIMA	Nov 14, 2019	Sep 30, 2020	00-24513	67-00342
CHIPS CASINO/LAKEWOOD	LAKEWOOD	Apr 8, 1999	Dec 31, 2020	00-17414	67-00020
CLEARWATER SALOON & CASINO	EAST WENATCHEE	Feb 14, 2019	Dec 31, 2020	00-24296	67-00339
CLUB HOLLYWOOD CASINO	SHORELINE	Sep 9, 2010	Jun 30, 2020	00-22132	67-00303
COYOTE BOB'S CASINO	KENNEWICK	Jul 10, 2009	Mar 31, 2020	00-21848	67-00282
CRAZY MOOSE CASINO II/MOUNTLAKE TERRACE	MOUNTLAKE TERRACE	Jul 10, 2009	Mar 31, 2020	00-21849	67-00283
CRAZY MOOSE CASINO/PASCO	PASCO	Jul 10, 2009	Mar 31, 2020	00-21847	67-00281
EMERALD DOWNS	AUBURN	May 11, 2017	Mar 31, 2020	00-23814	67-00335
FORTUNE CASINO - RENTON	RENTON	Jan 8, 2015	Sep 30, 2020	00-23339	67-00327
FORTUNE CASINO - TUKWILA	TUKWILA	Oct 8, 2015	Jun 30, 2020	00-23465	67-00329
GOLDIE'S SHORELINE CASINO	SHORELINE	May 13, 1999	Dec 31, 2020	00-17610	67-00016
GREAT AMERICAN CASINO/EVERETT	EVERETT	Nov 12, 1998	Dec 31, 2020	00-19513	67-00194
GREAT AMERICAN CASINO/LAKEWOOD	LAKEWOOD	Aug 14, 2003	Jun 30, 2020	00-19258	67-00184
GREAT AMERICAN CASINO/TUKWILA	TUKWILA	Jan 15, 1998	Sep 30, 2020	00-12554	67-00012
HAWKS PRAIRIE CASINO	LACEY	Jul 12, 2001	Jun 30, 2020	00-17579	67-00091
IRON HORSE CASINO	AUBURN	Jan 9, 2003	Dec 31, 2020	00-19477	67-00192

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Current House- Banked Locations Operating
44

	City	Commission Approval Date	License Expiration Date	Org #	License #
JOKER'S CASINO SPORTS BAR & FIESTA CD RM	RICHLAND	Nov 12, 1998	Dec 31, 2020	00-15224	67-00006
LANCER LANES/REST AND CASINO	CLARKSTON	Nov 13, 2008	Sep 30, 2020	00-21681	67-00276
LAST FRONTIER	LA CENTER	Feb 11, 1999	Sep 30, 2020	00-11339	67-00055
LILAC LANES & CASINO	SPOKANE	Jul 12, 2007	Jun 30, 2020	00-21305	67-00267
MACAU CASINO	TUKWILA	Nov 14, 2019	Sep 30, 2020	00-24514	67-00344
MACAU CASINO	LAKEWOOD	Nov 14, 2019	Sep 30, 2020	00-24516	67-00345
NOB HILL CASINO	YAKIMA	Sep 12, 2001	Dec 31, 2020	00-13069	67-00173
PALACE CASINO LAKEWOOD	LAKEWOOD	Jan 14, 1999	Dec 31, 2020	00-16542	67-00028
PAPAS CASINO RESTAURANT & LOUNGE	MOSES LAKE	Aug 13, 1998	Jun 30, 2020	00-02788	67-00004
RC'S AT VALLEY LANES	SUNNYSIDE	Nov 16, 2017	Mar 31, 2020	00-16220	67-00336
RIVERSIDE CASINO	TUKWILA	Aug 14, 2003	Jun 30, 2020	00-19369	67-00187
ROMAN CASINO	SEATTLE	Feb 10, 2000	Mar 31, 2020	00-17613	67-00057
ROXY'S BAR & GRILL	SEATTLE	Nov 18, 2004	Jun 30, 2020	00-20113	67-00231
ROYAL CASINO	EVERETT	Sep 9, 2010	Jun 30, 2020	00-22130	67-00301
SILVER DOLLAR CASINO/MILL CREEK	BOTHELL	Sep 9, 2010	Jun 30, 2020	00-22131	67-00302
SILVER DOLLAR CASINO/RENTON	RENTON	Sep 9, 2010	Jun 30, 2020	00-22134	67-00305
SILVER DOLLAR CASINO/SEATAC	SEATAC	Sep 9, 2010	Jun 30, 2020	00-22128	67-00299
SLO PITCH PUB & EATERY	BELLINGHAM	Aug 12, 1999	Jun 30, 2020	00-16759	67-00038
THE PALACE	LA CENTER	Apr 9, 1998	Jun 30, 2020	00-16903	67-00010
WILD GOOSE CASINO	ELLENSBURG	Apr 8, 2004	Dec 31, 2020	00-20009	67-00212
WIZARDS CASINO	BURIEN	Feb 11, 2010	Dec 31, 2020	00-21998	67-00287
ZEPOZ	PULLMAN	Nov 13, 2008	Mar 31, 2020	00-18777	67-00209

Applications Pending**2**

	City	Commission Approval Date	License Expiration Date	Org #	License #
LUCKY DRAGONZ CASINO	SEATTLE			00-23001	67-00323
SUN PALACE CASINO	DES MOINES			00-24587	67-00346



COMMISSION APPROVAL LIST
(Class III Gaming Employees)
March 2020

Index

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QUINAULT CLASS III GAMING EMPLOYEES.....	1

PAGES: 1

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

DATE: 02/24/2020

Page 1 of 1

PERSON'S NAME

CERTIFICATION NUMBER

NEW APPLICATIONS

CLASS III GAMING EMPLOYEES

QUINAULT NATION

PARKER, LORI A
69-48181

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Staff Proposed Rule-Making

- WAC 230-03-085- Denying, suspending, or revoking an application, license or permit.
- WAC 230-03-265- Applying for a card room employee license.
- WAC 230-05-112- Defining “gross gambling receipts.”
- WAC 230-05-138- Returned payments.
- WAC 230-05-142- Fees for review of gambling equipment, supplies, services, or games.
- WAC 230-07-090- Keeping and depositing all gambling funds separate from other funds.
- WAC 230-11-100- Recordkeeping requirements for raffle licensees.

March, 2020 – Final Action
January, 2020 – Discussion and Possible Filing
October, 2020 – Initiate Rule-Making

Tab 2: MARCH, 2020 Commission Meeting Agenda.

Statutory Authority 9.46.070

Who Proposed the Rule Change?

Washington State Gambling Commission Staff

Background

BOLD = Updated information since January, 2020 Commission meeting.

At the October, 2019 Commission meeting, we introduced the idea of amending these rules and provided general concepts. **In January, we provided language for your review, filed that language for further discussion, and today, that language is before you for final action.**

In 2017-18, the Gambling Commission amended its rules to simplify its reporting and licensing fee structure. After a year of implementation, staff has reviewed our rules and believes there are some changes and modifications needed to the new fee and reporting structure. Therefore, staff recommends amending the following:

- WAC 230-03-085- Denying, suspending, or revoking an application, license or permit. Amend to include the failure to pay any late fees a licensee may have accumulated as a result of failing to file a quarterly license report and/or pay a quarterly license fee on time as a reason staff may deny, suspend, or revoke an application, license, or permit.
- WAC 230-03-265- Applying for a card room employee license. Amend to clarify that a card room employee license is required if operating a commercial nonhouse-banked card room that is charging a fee to play, operation of a Class F endorsed nonhouse-banked card room, or operation of a house-banked card room. A card room employee license is not required for commercial establishments not charging a fee to play or for nonprofit organizations conducting card games.
- WAC 230-05-112- Defining “gross gambling receipts.” Amend to include “bingo paper or bingo cards” in the list of authorized activities of which gross gambling receipts may be due.
- WAC 230-05-138- Returned payments. Amend to ensure that administrative charges can be issued in the event that a quarterly license fee is returned after the due date for insufficient funds.
- WAC 230-05-142- Fees for review of gambling equipment, supplies, services, or games. Amend to include language from repealed rule, WAC 230-05-005.

- WAC 230-07-090- Keeping and depositing all gambling funds separate from other funds. Amend so that licensees must deposit all net gambling receipts which they are holding, pending pay out from raffles with gross gambling receipts over fifty thousand dollars in their initial license year, raffles with gross gambling receipts over fifty thousand dollars in their previous license year, or raffles offering prizes that require approval per WAC 230-11-067, at least once each week.
- WAC 230-11-100- Recordkeeping requirements for raffle licensees. Amend to combine WAC 230-11-095- Recordkeeping requirements for licensees with gross gambling receipts of fifty thousand dollars or less in their previous license year and unlicensed raffles- and WAC 230-11-100- Recordkeeping requirements for licensees with gross gambling receipts over fifty thousand dollars in their previous license year and raffles using alternatives drawing formats, as well as also adding recordkeeping requirements for licensees conducting raffles with gross gambling receipts over fifty thousand dollars in their initial license year and raffles offering prizes that require approval per WAC 230-11-067.

Attachments:

- WAC 230-03-085
- WAC 230-03-265
- WAC 230-05-112
- WAC 230-05-138
- WAC 230-05-142
- WAC 230-07-090
- WAC 230-11-100

Stakeholder Outreach and Feedback

A notice was sent to all raffle licensees regarding potential changes to recordkeeping requirements for raffle licensees conducting raffles with gross gambling receipts over fifty thousand dollars in their initial license year and raffles offering prizes that require approval per WAC 230-11-067. The completion of a small business economic impact statement is required to assess whether this change would impose more than minor costs to licensees. **Through the completion of a small business economic impact statement, it was determined that the proposed amendments to WAC 230-11-100 will not impose more than minor costs on licensees. Refer to the attached small business economic impact statement for more details.**

Attachments:

- Small Business Economic Impact Statement
- Public Comment received from John Masterson, Lacey Rotary Club.

Staff Recommendation

31 days after filing with the Office of the Code Reviser – expected on or about April 16, 2020.

AMENDATORY SECTION (Amending WSR 18-05-029, filed 2/9/18, effective 7/1/18)

WAC 230-03-085 Denying, suspending, or revoking an application, license or permit. We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075; or

(2) Has been convicted of, or forfeited bond on a charge of, or pleaded guilty to a misdemeanor or felony crime involving physical harm to individuals. "Physical harm to individuals" includes any form of criminal assault, any crime involving a threat of physical harm against another person, or any crime involving an intention to inflict physical harm on another person; or

(3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level; or

(4) Has failed to pay gambling taxes to local taxing authorities and the local taxing authority has petitioned us to take action; or

(5) Has failed to pay a quarterly license fee or submit a quarterly license report or has failed to pay a late fee assessed as a result of failure to pay a quarterly license fee or submit a quarterly license report; or

(6) Is serving a period of probation or community supervision imposed as a sentence for any juvenile, misdemeanor, or felony criminal offense, whether or not the offense is covered under RCW 9.46.075(4); or

(7) Is the subject of an outstanding gross misdemeanor or felony arrest warrant; or

(8) Fails to provide us with any information required under commission rules within the time required, or, if the rule establishes no time limit, within thirty days after receiving a written request from us; or

(9) 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, as demonstrated by:

(a) Prior activities; or

(b) Criminal record; or

(c) Reputation; or

(d) Habits; or

(e) Associations; or

(10) Knowingly provides or provided goods or services to an entity that illegally operates gambling activities.

AMENDATORY SECTION (Amending WSR 18-05-026, filed 2/9/18, effective 5/1/18)

WAC 230-03-265 Applying for a card room employee license. You must apply for a card room employee license:

(1) If you will be involved in the operation of a:

(a) Commercial nonhouse-banked card room((7)) charging a fee to play;

(b) Class F endorsed nonhouse-banked card room((7)); or

(c) House-banked card room; and

(2) You perform any of the following functions:

(a) Collecting fees; or

(b) Dealing; or

(c) Supervising any card game or other card room employee, such as acting as a pit boss, floor person, or section supervisor; or

(d) Selling or redeeming chips; or

(e) Performing cashier or cage duties such as counting and handling chips or cash, completing credit slips, fill slips, or inventory slips, or accounting for other card room receipts in the cage; or

(f) Observing dealers and card games to detect cheating or control functions; or

(g) Controlling card room funds including keys to secure locations; or

(h) Taking part in the operation of a card game.

(3) A Class B card room employee license is required to work at a house-banked card room and Class F endorsed nonhouse-banked card room.

(4) A Class A card room employee license is required to work at a nonhouse-banked card room.

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	<ul style="list-style-type: none">• "Net win" from house-banked card games;• Tournament entry fees;• Administrative fees from player-supported jackpots;• Fees to participate in nonhouse-banked card games.

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"> • <u>Bingo paper or bingo cards;</u> • 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.

Activity:	Gross gambling receipts include amounts due to any operator for:
(g) Gambling service suppliers	Fees from gambling-related services provided in or to be used in Washington to include, but not limited to: <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.
(h) Punch board/pull-tab service businesses	Providing nonmanagement related recordkeeping or storage services for punch board and pull-tab operators.
(i) Fund-raising event distributors	Fees from contracts to organize and conduct recreational gaming activities.
(j) Fund-raising events and agricultural fairs	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.

AMENDATORY SECTION (Amending WSR 18-05-026, filed 2/9/18, effective 5/1/18)

WAC 230-05-138 Returned payments. (1) If your bank returns your payment to us for any reason, you must:

- (a) Pay us in full, by certified check, money order, or cash, within five days of notification; and
 - (b) Reimburse our processing costs which would include, but not be limited to, time spent notifying you and seeking payment.
- (2) If you fail to pay within five days of notification:
- (a) We will administratively close your application; or
 - (b) Your license expires and all gambling activity must stop; or
 - (c) Administrative action may be taken against your license(s).
- (3) If we administratively close your application or your license expires, you must give us a new application with fees paid by certified check, money order, or cash in order to be considered for a license.

AMENDATORY SECTION (Amending WSR 18-05-026, filed 2/9/18, effective 5/1/18)

WAC 230-05-142 Fees for review of gambling equipment, supplies, services, or games. (1) You must apply to us if you want to submit gambling equipment, supplies, services, or games for our review.

(2) You must pay the application deposit before we perform the review.

(3) You must also reimburse us for any additional costs of the review.

WAC 230-07-090 Keeping and depositing all gambling funds separate from other funds. Charitable or nonprofit licensees must protect all funds generated from gambling activities and keep these funds separate from their general funds.

(1) Licensees must:

(a) Keep a separate gambling receipts account(s) in a recognized Washington state bank, mutual savings bank, or credit union; and

(b) Deposit only gambling receipts into that account. Licensees may deposit receipts from nongambling activities operated in conjunction with bingo games into the gambling receipts account if the licensee keeps detailed receipting records of the nongambling receipts; and

(c) Deposit all gambling receipts first into the account before spending or transferring them into other accounts, except for prize payouts; and

(d) Deposit funds received from commercial amusement game operators operating amusement games on their premises in the licensee's gambling receipts account no later than the second banking day after they receive the receipts; and

(e) Make all deposits of net gambling receipts from each activity separately from all other deposits, and keep the validated deposit receipt as a part of their records. Deposit receipts are a part of the applicable daily or monthly records and licensees must make them available for our inspection; and

(f) Deposit all net gambling receipts which they are holding, pending payout:

(i) From bingo, no later than the second banking day after they receive them. Licensees may withhold bingo receipts from deposits for "jar," "pig," or other special game prizes if the total of all such prize funds does not exceed two hundred dollars, enter the amount withheld each session in the bingo daily record, and record the reconciliation of the special game fund on the bingo daily record. "Reconcile" means the licensee must compare the two balances, resolve any differences, and document the comparison and the differences in writing. Licensees must keep the reconciliation as part of their records; and

(ii) From raffles (~~and amusement games~~), at least once a week. This includes those raffles:

(A) With gross gambling receipts over fifty thousand dollars in their initial year;

(B) With gross gambling receipts over fifty thousand dollars in their previous license year (~~, at least once each week~~); and

(C) Offering prizes that require approval per WAC 230-11-067; and

(iii) From amusement games with gross gambling receipts over fifty thousand dollars in their previous license year, at least each week; and

~~((iii))~~ (iv) From punch board and pull-tabs, including cost recovery for merchandise prizes awarded, no later than two banking days after they remove the board or series from play; and

(g) Record the Washington state identification number assigned to the punch board or pull-tab series and the amount of net gambling receipts on the deposit slip/receipt. Licensees may record the number and the receipts on a separate record if they record the bank validation number and maintain the record with the deposit slip/receipt; and

- (2) These requirements do not apply to organizations who:
 - (a) Conduct only one or more of the following activities:
 - (i) Raffles under the provisions of RCW 9.46.0315;
 - (ii) Bingo, raffles, or amusement games under the provisions of RCW 9.46.0321;
 - (iii) Bingo, raffle, and amusement game licensees with gross gambling receipts of fifty thousand dollars or less in their previous license year; and
 - (b) Do not have any other license(s) from us.

WAC 230-11-100 Recordkeeping requirements for raffle licensees (~~with gross gambling receipts over fifty thousand dollars in their previous license year and raffles using alternative drawing formats~~).

(1) Licensees conducting raffles with gross gambling receipts of fifty thousand dollars or less in their previous license year and organizations conducting unlicensed raffles under the authority of RCW 9.46.0315 or 9.46.0321 must keep a record by month of the following:

- (a) Gross receipts; and
- (b) Prizes paid; and
- (c) Net income; and
- (d) Documentation of expenses; and
- (e) Documentation of how the proceeds were used.

(2) Licensees conducting raffles with gross gambling receipts over fifty thousand dollars in their initial license year, with gross gambling receipts over fifty thousand dollars in their previous license year, offering prizes that require approval per WAC 230-11-067, or conducting raffles using alternative drawing formats must prepare a detailed record for each raffle they conduct. Licensees must:

~~((1))~~ (a) Record all data required in the standard format we provide; and

~~((2))~~ (b) Maintain the following:

~~((a))~~ (i) Validated deposit receipts for each deposit of raffle proceeds; and

~~((b))~~ (ii) All winning tickets; and

~~((e))~~ (iii) Name, address, and telephone number of all winners of a prize with a fair market value of more than fifty dollars; and

~~((d))~~ (iv) All ticket stubs for raffles that participants are not required to be present at the drawing; and

~~((e))~~ (v) All unsold tickets for individual raffles for which gross gambling receipts exceed five thousand dollars; and

~~((f))~~ (vi) Invoices and other documentation recording the purchase or receipt of prizes; and

~~((g))~~ (vii) Invoices and other documentation recording the purchase of tickets and other expenses of the raffle; and

~~((3))~~ (c) Complete all records no later than thirty days following the drawing.

**Small Business
Economic Impact
Statement**

WAC 230-11-100

A Rule Concerning Recordkeeping Requirements for Raffle
Licensees.

January 6, 2020

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 Gambling Commission is proposing to amend its rules pertaining to raffle recordkeeping requirements by combining WAC 230-11-095, Recordkeeping requirements for licensees with gross gambling receipts of fifty thousand dollars or less in their previous license year and unlicensed raffles, with WAC 230-11-100, Recordkeeping requirements for licensees with gross gambling receipts over fifty thousand dollars in their previous license year and raffles using alternative drawing formats under a new WAC 230-11-100, titled "Recordkeeping requirements for raffle licensees."

While the Gambling Commission is proposing to combine these two rules, no changes are proposed to the specific recordkeeping requirements, meaning nonprofit organizations conducting those listed below will continue to keep records as they have been under the former rules:

- Licensees with gross gambling receipts of fifty thousand dollars or less in their previous license year,
- Unlicensed raffles,
- Licensees with gross gambling receipts over fifty thousand dollars in their previous license year, and
- Raffles using alternative drawing formats.

The Gambling Commission is proposing two additional recordkeeping requirements that would affect the following:

- Licensees with gross gambling receipts over fifty thousand dollars in their initial license year, and
- Licensees offering prizes that require approval per WAC 230-11-067, Requesting commission approval prior to offering raffle prizes exceeding forty thousand dollars per prize or three hundred thousand dollars in a license year.

These licensees would need to prepare a detailed record for each raffle they conduct including the following information:

- (a) Record all data required in the standard format we provide; and
- (b) Maintain the following:
 - (i) Validated deposit receipts for each deposit of raffle proceeds; and
 - (ii) All winning tickets; and
 - (iii) Name, address, and telephone number of all winners of a prize with a fair market value of more than fifty dollars; and
 - (iv) All ticket stubs for raffles that participants are not required to be present at the drawing; and
 - (v) All unsold tickets for individual raffles for which gross gambling receipts exceed five thousand dollars; and
 - (vi) Invoices and other documentation recording the purchase or receipt of prizes; and
 - (vii) Invoices and other documentation recording the purchase of tickets and other expenses of the raffle; and

(c) Complete all records no later than thirty days following the drawing.

These records would be subject to WAC 230-11-105, Retain and store raffle records, and would be required to be kept for three years from the end of the licensees' fiscal years in which the raffle was completed.

It is these proposed changes that trigger the need for a small business economic impact statement.

In 2017-18, the Gambling Commission amended its rules to simplify its reporting and licensing fee structure. WAC 230-11-095, Recordkeeping requirements for Class A through D licensees and unlicensed raffles, was amended to capture those licensees with gross gambling receipts of fifty thousand dollars in their previous license year. Meanwhile, WAC 230-11-100, Recordkeeping requirements for Class E and F licensees and raffles using alternative drawing formats, was amended to capture those licensees with gross gambling receipts over fifty thousand dollars in their previous license year. When the rule was amended in 2017-18, the Gambling Commission failed to establish recordkeeping requirements for new licensees by using the phrase "previous license year" and therefore, licensees with gross gambling receipts over fifty thousand dollars in their initial license year are not currently held to any recordkeeping requirements which poses a problem.

Similarly, recordkeeping requirements do not currently exist for those licensees offering prizes that require approval per WAC 230-11-067, Requesting commission approval prior to offering raffle prizes exceeding forty thousand dollars per prize or three hundred thousand dollars in a license year.

The Gambling Commission is proposing to amend its rules to require raffle licensees with gross gambling receipts over fifty thousand dollars in their initial license year and those licensees offering prizes that require approval per WAC 230-11-067 to prepare a detailed record as outlined above. In doing so, the Gambling Commission will establish recordkeeping requirements thereby addressing the issues outlined above.

In order to comply with the proposed amendment, licensees would be required to prepare a detailed record for each raffle they conduct including recording all data in the standard format that we provide and maintaining validated deposit receipts for each deposit of raffle proceeds, all winning tickets, contact information for the winners of prizes with a fair market value of more than fifty dollars, all ticket stubs for raffles that participants are not required to be present at the drawing, all unsold tickets for individual raffles for which gross gambling receipts exceed five thousand dollars, invoices and other documentation recording the purchase or receipt of prizes, and invoices and other documentation recording the purchase of tickets and other expenses of the raffle. Records must be completed no later than thirty days following the drawing.

It is unlikely that a nonprofit organization would need the assistance of professional services to comply with the proposed amendments of this rule, however this was evaluated as an option.

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 Threshold.

NAICS Code	NAICS Business Description	# of Businesses in Washington*	Average Quarterly Wage (2019-1)*	Average Annual Wage	Minor Cost Threshold = 1% of Average Annual Payroll
813	Membership associations and organizations	3,502	\$12,224	\$48,896	\$488.96
813110	Religious Organizations	231	\$10,824	\$43,296	\$432.96
813211	Grantmaking Foundations	265	\$32,290	\$129,160	\$1,291.60
813212	Voluntary Health Organizations	107	\$16,910	\$67,640	\$676.40
813219	Other grantmaking and giving services	89	\$15,301	\$61,204	\$612.04
813311	Human rights organizations	106	\$14,563	\$58,252	\$582.52
813312	Environment and conservation organizations	304	\$12,377	\$49,508	\$495.08
813319	Other social advocacy organizations	386	\$14,020	\$56,080	\$560.80
813410	Civic and social organizations	517	\$5,230	\$20,920	\$209.20

* Source: Employment Security Department, 2019 Q1 preliminary.

NAICS Code Descriptions.

813. Membership associations and organizations. This includes religious, grantmaking, civic, professional, and similar organization subsector group establishments that organize and promote religious activities; support various causes through grantmaking; advocate various social and political causes; and promote and defend the interest of their members. The industry groups within this subsector are defined in terms of their activities, such as establishments that provide funding for specific causes or for a variety of charitable causes; establishments that advocate and actively promote funding for specific causes and beliefs for the public good; and establishments that have an active membership structure to promote causes and represent the interests of their members. Establishments in this subsector may publish newsletters, books, and periodicals, for distribution to their membership. This group most accurately represents nonprofit organizations that conduct raffles in Washington which is why it was the NAICS code used. It can be used to generally describe nonprofit organizations and raffle licensees, but we've further broken down nonprofit organization into the following subcategories:

- 813110 Religious Organizations. This industry comprises of the following: Establishments primarily engaged in operating religious organizations, such as churches, religious temples, and monasteries, and/or. Establishments primarily engaged in administering an organized religion or promoting religious activities.

- 813211 Grantmaking Foundations. This industry comprises establishments known as grantmaking foundations or charitable trusts.
- 813212 Voluntary Health Organizations. This industry comprises establishments primarily engaged in raising funds for health related research, such as disease prevention, health education, and patient services.
- 813219 Other grantmaking and giving services. This industry comprises establishments (except voluntary health organizations) primarily engaged in raising funds for a wide range of social welfare activities, such as educational, scientific, cultural, and health.
- 813311 Human rights organizations. This industry comprises establishments primarily engaged in promoting causes associated with human rights either for a broad or specific constituency.
- 813312 Environment and conservation organizations. This industry comprises establishments primarily engaged in promoting the preservation and protection of the environment and wildlife.
- 813319 Other social advocacy organizations. This industry comprises establishments primarily engaged in social advocacy (except human rights and environmental protection, conservation, and wildlife preservation).
- 813410 Civic and social organizations. This industry comprises establishments primarily engaged in promoting the civic and social interests of their members. Establishments in this industry may operate bars and restaurants for their members.

A 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. One percent of annual payroll for membership associations and organizations is \$488.96 which was calculated from 2019-1 average quarterly wages.

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.

The Gambling Commission provides the form on which data from each raffle must be recorded on our website, free of charge (refer to Attachment 1). Raffle licensees may either print this form off and fill it out by hand or save it, convert it to a fillable pdf format, and complete it electronically. If a licensee does not have access to the internet, they can obtain a hardcopy by contacting the Gambling Commission.

Table B. Cost of Compliance.

Supplies	Cost
Paper	\$4.47/ream
Pen	\$3.97/package (8 count)
File Folder	\$12.98/box (25 count)
Envelope (to hold raffle ticket stubs)	\$11.92/box (100 count)
Labor	Cost
In-house (5-10 hours)/contracted out (3-5 hours)	\$75-\$150/\$75-125 = \$150

Total Cost of Compliance **\$183.34**

Two options were evaluated in determining the cost of compliance; in-house compliance, and contracting compliance out to a professional service, such as a contracted bookkeeper.

Option 1- In-house compliance. In this option, it is assumed that these recordkeeping requirements are carried out by a nonprofit officer or employee of the nonprofit organization making minimum wage or slightly above minimum wage. Minimum wage in Washington is \$13.50 per hour, therefore \$15.00 per hour was used to calculate cost of compliance. The amount of time to complete recordkeeping requirements depends on several factors: the ease of the use of the provided form, the competence of the individual recording and maintaining the data, and the level of experience the individual has with completing recordkeeping requirements similar to this. The Gambling Commission offers sample forms and has regulatory agents available to offer assistance, if necessary. Considering these factors and the amount of detail the licensee is required to supply to the Gambling Commission, it is estimated it may take approximately five to ten hours to comply, thereby costing between \$75 to \$150 in labor, plus an additional \$33.34 for supplies, bringing the total cost of in-house compliance to \$108.34 to \$183.34, depending on the amount of time and experience.

Option 2- Contracted compliance, professional service. In this option, it is assumed that these recordkeeping requirements are contracted out to a bookkeeper utilized by the nonprofit organization to track the accounts, making \$25 per hour. The amount of time to complete recordkeeping requirements is likely between three and five hours as this person likely has experience with similar recordkeeping requirements. There would be no cost to the nonprofit organization for supplies so the total cost of contracted compliance would range from \$75-\$125.

SECTION 4

Analyze whether the proposed rule may impose more than minor costs on businesses in the industry.

One percent of annual payroll for membership associations and organizations is \$488.96 which was calculated from 2019-1 average quarterly wages. The highest estimated cost of compliance is \$183.34. Therefore, it is estimated that the proposed rule amendment will not impose more than minor costs on businesses in the industry.

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.

The proposed rule change affects all nonprofit organizations with a raffle license with gross gambling receipts over fifty thousand dollars in their initial license year and/or those raffle licensees offering prizes that require approval per WAC 230-11-067, Requesting commission approval prior to offering raffle prizes exceeding forty thousand dollars per prize or three hundred thousand dollars in a license year.

The Gambling Commission licensed 1,135 nonprofit organizations to conduct raffle activities in Fiscal Year 2019. Of those, sixty licensees reported gross gambling receipts greater than or roughly equal to fifty thousand dollars in their previous year. An analysis of our records going back over the past six years, to January 1, 2014, shows that this proposed rule amendment would have affected twenty additional licensees who had gross gambling receipts over \$50,000 in their initial license year. Of those twenty licensees, three had gross gambling receipts greater than \$120,000, three licensees had gross gambling receipts totaling between \$80,000 and \$90,000, three licensees had gross gambling receipts

totaling between \$70,000 and \$80,000, four licensees had gross gambling receipts totaling between \$60,000 and \$70,000, and the remainder were between \$50,000 and \$60,000.

Those licensees offering prizes that require approval per WAC 230-11-067 averages to about three a year.

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 cannot be reduced, provide a clear explanation of why.

The proposed rule amendment does not have a disproportionate impact on small businesses, as it affects all licensees with gross gambling receipts over fifty thousand dollars in their initial license year and/or those licensees offering prizes requiring approval per WAC 230-11-067, Requesting commission approval prior to offering raffle prizes exceeding forty thousand dollars per prize or three hundred thousand dollars in a license year.

SECTION 7

Describe how small businesses were involved in the development of the proposed rule.

Notice of this proposed rule amendment was sent out to all nonprofit organization licensees on December 23, 2019 asking for input on how it may affect them. As of January 6, 2020, two responses had been received.

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 or lost as a result of compliance with the proposed rule amendment.

From: [John Masterson](#)
To: [Laydon, Ashlie \(GMB\)](#)
Cc: [Considine, Brian \(GMB\)](#); [Songer, Heather \(GMB\)](#); [McGuire-Yurkas, Terri](#)
Subject: Re: Proposed Changes - Recordkeeping Requirements for Raffle Licensees
Date: Monday, December 23, 2019 3:30:02 PM
Attachments: [image003.png](#)
[image005.png](#)

Ashlie,

Thank you for this email. I am responding in my capacity with Lacey Rotary Club. I handle the expense accounting for the Club's Annual Duck Dash (raffle). I have reviewed the information in [WAC 230-11-100](#). Upon my initial review, two items come into question. First, the completion of all documents within 30 days following the raffle is a problem as we do not always receive all expense invoices within that time frame. Some vendors have been slow to invoice the club. My second question is how long do these records need to be maintained?

I will share these changes with other club members to see if we have further comment.

John Masterson
360.239.2723

On Mon, Dec 23, 2019 at 3:03 PM Laydon, Ashlie (GMB) <ashlie.laydon@wsgc.wa.gov> wrote:

Good afternoon,

The Gambling Commission is considering amending its rules pertaining to recordkeeping requirements for raffle licensees. Specifically, the changes would require licensees with gross gambling receipts over fifty thousand dollars in *their initial license year* and/or licensees *offering prizes that require approval per WAC 230-11-067* to follow the recordkeeping requirements listed in [WAC 230-11-100](#).

The legislature enacted the Regulatory Fairness Act, chapter [19.85](#) RCW, with the intent to reduce disproportionate costs of state regulations on small businesses. Under this law, the Gambling Commission must complete a small business economic impact statement (SBEIS) to determine whether a proposed rule change would impose more than “minor” costs on licensees. “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. If a rule change is believed to have a minimum impact of \$100 in costs to a business, the SBEIS requirement will usually be triggered.

The Gambling Commission is in the process of the completing the SBEIS but does not anticipate that this rule change will impose more than minor costs to licensees. If you would like to provide feedback regarding this, feel free to email me or provide comment on our

website here: <https://www.wsgc.wa.gov/news/request-public-comment>. Please do so by January 3, 2020. Feel free to contact me if you have any questions.

Thank you and happy holidays!

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.





Staff Proposed Rule Repeals

- WAC 230-05-001- Prorating or refunding of fees.
- WAC 230-05-005- Fees for review of gambling equipment, supplies, services or games.
- WAC 230-05-010- Returned payments.
- WAC 230-05-015- Two-part payment plan for license fees.
- WAC 230-05-016- Exceeding license class.
- WAC 230-05-017- Failing to apply for license class upgrade.
- WAC 230-05-018- Partial refund of license fees if gambling receipts limit not met.
- WAC 230-05-020- Charitable or nonprofit organization fees.
- WAC 230-05-025- Commercial stimulant fees.
- WAC 230-05-030- Fees for other businesses.
- WAC 230-05-035- Individuals license fees.
- WAC 230-05-102- All licensed organizations report activity quarterly beginning with the July 1, 2018, through September 30, 2018, quarter.
- WAC 230-06-124- Online filing required with waivers available upon request for good cause.
- WAC 230-06-150- Defining “gross gambling receipts.”
- WAC 230-06-170- Defining “net win.”
- WAC 230-07-155- Reporting annual activity for raffles, enhanced raffles, amusement games, Class A, B, or C bingo, or combination licenses.
- WAC 230-07-160- Reporting annual activity for agricultural fairs.
- WAC 230-09-056- Activity reports for fund raising events.
- WAC 230-10-331- Activity reports for Class D and above bingo licensees.
- WAC 230-10-457- Activity reports for linked bingo prize providers.
- WAC 230-11-095- Recordkeeping requirements for licensees with gross gambling receipts of fifty thousand dollars or less in their previous license year and unlicensed raffles.
- WAC 230-13-169- Annual activity reports for commercial amusement game licensees.
- WAC 230-14-284- Activity reports for punch board and pull-tab licensees.
- WAC 230-15-200- Reporting card game activity.
- WAC 230-15-205- Card tournament licenses.
- WAC 230-16-220- Activity reports by manufacturers and distributors.

March, 2020 – Final Action

January, 2020 – Discussion and Possible Filing

October, 2019 – Petition to Initiate Rule-Making

Tab 3: MARCH, 2020 Commission Meeting Agenda.	Statutory Authority 9.46.070
Who Proposed the Rule Change?	
Washington State Gambling Commission Staff	
Background	
BOLD = Updated information since the January, 2020 Commission meeting.	

At the October, 2019 Commission meeting, we introduced this concept to you and provided the WAC numbers and titles. **In January, we provided the specific language to be repealed. Today, that language is before you for final action.**

In 2017-18, the Gambling Commission amended its rules to simplify its licensing fee structure. All licensees have now completed the transition from the old fee structure to the new fee structure. As a result, the following rules related to the old fee structure are no longer relevant and should be repealed:

- [WAC 230-05-001](#) – Prorating or refunding of fees.
- [WAC 230-05-005](#) – Fees for review of gambling equipment, supplies, services, or games.
- [WAC 230-05-010](#) – Returned payments.
- [WAC 230-05-015](#) – Two-part payment plan for license fees.
- [WAC 230-05-016](#) – Exceeding license class.
- [WAC 230-05-017](#) – Failing to apply for license class upgrade.
- [WAC 230-05-018](#) – Partial refund of license fees if gambling receipts limit not met.
- [WAC 230-05-020](#) – Charitable or nonprofit organization fees.
- [WAC 230-05-025](#) – Commercial stimulant fees.
- [WAC 230-05-030](#) – Fees for other businesses.
- [WAC 230-05-035](#) – Individuals license fees.

In 2017-18, the Gambling Commission amended its rules to simplify its reporting structure. All licensees have now completed the transition from activity reporting to quarterly license reporting. As a result, the following rules related to activity reporting are no longer relevant and should be repealed:

- [WAC 230-05-102](#) – All licensed organizations report activity quarterly beginning with the July 1, 2018, through September 30, 2018, quarter.
- [WAC 230-06-124](#) – Online filing required with waivers available upon request for good cause.
- [WAC 230-06-150](#) – Defining “gross gambling receipts.”
- [WAC 230-06-170](#) – Defining “net win.”
- [WAC 230-07-155](#) – Reporting annual activity for raffles, enhanced raffles, amusement games, Class A, B, or C bingo, or combination licenses.
- [WAC 230-07-160](#) – Reporting annual activity for agricultural fairs.
- [WAC 230-09-056](#) – Activity reports for fund-raising events.
- [WAC 230-10-331](#) – Activity reports for Class D and above bingo licensees.
- [WAC 230-10-457](#) – Activity reports for linked bingo prize providers.
- [WAC 230-11-095](#) – Recordkeeping requirements for licensees with gross gambling receipts of fifty thousand dollars or less in their previous license year and unlicensed raffles.
- [WAC 230-13-169](#) – Annual activity reports for commercial amusement game licensees.
- [WAC 230-14-284](#) – Activity reports for punch board and pull-tab licensees.
- [WAC 230-15-200](#) – Reporting card game activity.
- [WAC 230-15-205](#) – Card tournament licenses.
- [WAC 230-16-220](#) – Activity reports by manufacturers and distributors.

Stakeholder Outreach and Feedback

Notice of rule-making was posted on our website and published in the Washington State Register (WSR 19-21-132 and WSR 20-03-159). No public comments have been received.

Staff Recommendation

31 days after filing with the Office of the Code Reviser – expected on or about April 16, 2020.

REPEALER

The following sections of the Washington Administrative Code are repealed:

- WAC 230-05-001 Prorating or refunding of fees.
- WAC 230-05-005 Fees for review of gambling equipment, supplies, services, or games.
- WAC 230-05-010 Returned payments.
- WAC 230-05-015 Two-part payment plan for license fees.
- WAC 230-05-016 Exceeding license class.
- WAC 230-05-017 Failing to apply for license class upgrade.
- WAC 230-05-018 Partial refund of license fees if gambling receipts limit not met.
- WAC 230-05-020 Charitable or nonprofit organization fees.
- WAC 230-05-025 Commercial stimulant fees.
- WAC 230-05-030 Fees for other businesses.
- WAC 230-05-035 Individuals license fees.
- WAC 230-05-102 All licensed organizations report activity quarterly beginning with the July 1, 2018, through September 30, 2018, quarter.

REPEALER

The following sections of the Washington Administrative Code are repealed:

WAC 230-06-124	Online filing required with waivers available upon request for good cause.
WAC 230-06-150	Defining "gross gambling receipts."
WAC 230-06-170	Defining "net win."

REPEALER

The following sections of the Washington Administrative Code are repealed:

- | | |
|----------------|--|
| WAC 230-07-155 | Reporting annual activity for raffles, enhanced raffles, amusement games, Class A, B, or C bingo, or combination licenses. |
| WAC 230-07-160 | Reporting annual activity for agricultural fairs. |

REPEALER

The following section of the Washington Administrative Code is repealed:

WAC 230-09-056 Activity reports for fund-raising events.

REPEALER

The following sections of the Washington Administrative Code are repealed:

- | | |
|----------------|---|
| WAC 230-10-331 | Activity reports for Class D and above bingo licensees. |
| WAC 230-10-457 | Activity reports for linked bingo prize providers. |

REPEALER

The following section of the Washington Administrative Code is repealed:

WAC 230-11-095	Recordkeeping requirements for licensees with gross gambling receipts of fifty thousand dollars or less in their previous license year and unlicensed raffles.
----------------	--

REPEALER

The following section of the Washington Administrative Code is repealed:

WAC 230-14-284 Activity reports for punch board and
pull-tab licensees.

REPEALER

The following sections of the Washington Administrative Code are repealed:

- WAC 230-15-200 Reporting card game activity.
- WAC 230-15-205 Card tournament licenses.

REPEALER

The following section of the Washington Administrative Code is repealed:

WAC 230-16-220 Activity reports by manufacturers and distributors.



Rules Petition to Adopt/Amend
WAC 230-11-XXXX- 50/50 Electronic Raffles

March, 2020 – Initiate Rule-Making

Tab 4: MARCH 13, 2020 Commission Meeting Agenda.	Statutory Authority 9.46.070
Who Proposed the Rule Change?	
NHL Seattle, Seattle Mariners, Seattle Sounders FC, Seattle Seahawks	
Summary	
<p>In January 2020, we received a petition requesting an amendment to our raffle rules allowing the sale of 50/50 raffles tickets at professional sports games and matches by using electronic devices and systems in compliance with current applicable state statutes.</p> <p>The petitioners state this rule change is needed because conducting 50/50 raffles under the existing rules, requiring cash or check payments for paper tickets, accrues administrative expenses nearly exceeding the relatively small amounts raised by the 50/50 raffle itself.</p> <p>The petitioners state this rule change would more effectively achieve the public policy goals by generating significantly more funds to reinvest in the community, while at the same time, increasing organizational efficiencies and reducing the likelihood of fraud and theft.</p> <p>If the petition is accepted, our raffle rules will need to be amended and additional new rules will need to be adopted.</p> <p>Attachments:</p> <ul style="list-style-type: none"> • Petition 	
Background	
<p>In 2014, a similar petition was submitted by Pointstreak 50/50, who had obtained a manufacturer’s license and intended to lease their electronic raffle system to professional sports team’s charitable and nonprofit organizations to be used at professional sports stadiums and arenas within the state.</p> <p>The original petition was withdrawn but the Commission initiated a pilot program to test the regulatory and economic realities of using electronic raffle systems to conduct 50/50 raffles at professional sports venues. The pilot program was to last 18 months and staff was to report back to the Commission on the results of the pilot program along with any recommendations.</p> <p>However, prior to implementation of the pilot program, the Washington State Legislature passed a budget provision preventing the Gambling Commission from “approv[ing] any electronic raffle systems to conduct fifty-fifty raffles until the Legislature has reviewed all impacts to the state lottery.”</p> <p>This action ended the pilot program and all rule-making associated with it and the program and its rules were administratively closed in August, 2015. However, the budget provision has expired and the Commission can consider and accept, if desired, this new petition.</p>	
Staff Recommendation	
<p>Under the requirements of the Administrative Procedure Act, the Commission must take action on a petition within 60 days of receiving it. Your options are:</p>	

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

Staff recommends accepting this petition and filing initial rule-making with the understanding that any equipment used for these raffles will need to be submitted and reviewed by Commission staff pursuant to WAC 230-17-192, Submission of electronic or mechanical gambling equipment during rule making, before staff can begin to finalize rules related to this petition.

Attachments:

- WAC 230-17-192

January 22, 2020

Ms. Ashlie Laydon
Rules Coordinator
Washington State Gambling Commission

Re: Proposed Amendment to update 50/50 Raffle

Dear Ms. Laydon:

Thank you for the opportunity to submit the following proposed amendment for consideration by the Washington State Gambling Commission (“WSGC”). NHL Seattle, Seattle Mariners, Seattle Sounders FC, and Seattle Seahawks respectfully request amending the WSGC raffle rules to allow for the sale of 50/50 Raffle tickets at professional sports games and matches via electronic devices and systems in compliance with current applicable state statutes.

The proposed rules amendment furthers the statutory public interest objective of “raising funds for the promotion of bona fide charitable or nonprofit organizations,” *RCW 9.46.010*, and helps modernize the rules to reflect advances in technology. The current raffle rules in Washington, drafted in 1973 before 50/50 Raffle electronic devices existed, have not yet been construed to include such devices, but rather continue to require cash or check payments for paper tickets. Local teams have attempted to implement the 50/50 Raffle under the existing rules but the administrative expenses nearly exceeded the relatively small amount raised. The proposed amendment will more effectively achieve the public policy goals by generating significantly more funds to reinvest in the community, while at the same time increasing organizational efficiencies and reducing the likelihood of fraud and theft.

The 50/50 Raffle is commonly used by professional sports teams in both the United States and in Canada to generate donations for charitable causes in their communities. In the past ten years a number of jurisdictions have updated their laws and rules to incorporate technological advances, in the same way that such advances have been incorporated into every other element of organizational operations. In the case of the 50/50 Raffle, technology has served to meaningfully increase the amount of funds raised and in turn impact created for local communities. Washington currently lags behind much of the country in its approach to the 50/50 Raffle laws and rules, and the proposed amendment would increase the impact on OUR

community. Approving use of technology is also consistent with Washington State's emphasis on using technology for the delivery of services.¹

The professional sports teams in our region are collaborating to increase our collective social impact. We are focused on, among other things, addressing historic and systemic barriers to access and opportunity so that everyone in our community, and particularly our youth, can realize their potential. According to the recently released State of Play Report², a child's ability to participate in organized sport in this region is determined to a large degree by zip code, household income, and skin color. The study points to entrenched policies and structures that will require the commitment of leadership across public, private, philanthropic and nonprofit sectors to dismantle over time. In the meantime, Sounders FC, Mariners, Seawolves, Seahawks, Storm, Cascades, and NHL Seattle are working together to start reversing these unacceptable trends through joint advocacy, funding, and programming.

In addition to collaborative work, many of the professional teams have an affiliated 501(c)3 private foundation or public charity that supports both internal programs as well as other nonprofits and community causes. For example, the Sounders RAVE Foundation's mission is to build small fields for free play and use, recognizing that inequitable access to fields and facilities is one of the greatest barriers to participation. Since 2016 the RAVE Foundation has built mini pitches in three different underserved neighborhoods in King County, with the goal of completing 26 pitches and distributing 100,000 soccer balls by 2026. The Mariners Cares Home Base program is another strong example of a professional sports team leaning in to help our most vulnerable. In 2018 the Mariners partnered with the United Way of King County and donated \$3M to help low income renters navigate our state's eviction laws, thereby allowing them to retain their homes and their dignity, and in turn reducing the homeless population. NHL Seattle, set to commence operations in the fall of 2021, has entered into a ten year \$10M partnership with Youthcare that includes financial, capacity building, and marketing support, as well as job training and employment opportunities to help Youthcare end the cycle of youth homelessness. Finally, through a robust network of programs, initiatives, events and strategic partnerships the Seahawks and CenturyLink Field educate, empower and encourage youth, with opportunities ranging from the Fuel Up to Play 60 health and wellness program in partnership with the Washington Dairy Council operating in over 2,000 schools and reaching over 950,000 students, to multi-year donations of synthetic turf football fields to high school athletic programs in need, to, in accordance with state law, annually providing twenty percent (20%) of net profits of the CenturyLink Field Event Center to the Washington State Permanent Common School Fund. In addition to these and other signature programs, the teams collectively donate

¹ In October 2018, Washington state earned an "A-" from the Center for Digital Government's evaluation of Washington's use of technology to improve service delivery, increase capacity, streamline operations and reach policy goals. See Governor Inslee's Oct 2, 2018 Press Release: *Washington state gets an "A" for use of technology* available at <https://www.governor.wa.gov/news-media/washington-state-gets-%E2%80%98A%E2%80%99-use-technology>.

² The Seattle/King County State of Play Report was released in September of 2019 by the University of Washington Center for Leadership in Athletics and the Aspen Institute.

millions of dollars in cash and in-kind support annually to hundreds of nonprofits, impacting thousands of people in our community.

Our teams know we have a duty to serve the community and make a positive difference in people's lives and we are eager to join our counterparts across the country in utilizing more current technology to do just that. We also believe that our impact-centered and uniquely collaborative approach to advancing positive social change presents a rare opportunity - for the teams and this region - to set an example for others across the country to follow, for the benefit of all.

Thank you for your consideration of this proposal. Please let us know if we can provide any additional information.

Respectfully,

NHL SEATTLE

By: Mari Horita

Its: Vice President of Community Engagement & Philanthropy

SEATTLE MARINERS

By: Fred Rivera

Its: Executive Vice President & General Counsel

SEATTLE SOUNDERS FC

By: Maya Mendoza

Its: Senior Vice President & General Counsel

SEATTLE SEAHAWKS

By: Ed Goines

Its: Senior Vice President & General Counsel

WAC 230-17-192 Submission of electronic or mechanical gambling equipment during rule making. (1) A manufacturer or its designee is required to submit electronic or mechanical gambling equipment for evaluation during rule making when the commission is considering taking action to adopt, change, or repeal a rule in order to authorize use of the gambling equipment.

(2) When we are ready to begin our equipment evaluation, we will notify the manufacturer or its designee in writing. The manufacturer or its designee will have thirty days from the date of our written request to submit the requested electronic or mechanical gambling equipment to our headquarters, directly or through a designee, or we may administratively close our review and deny the requested rule change.

(3) Manufacturers or their designee must submit:

(a) The gambling equipment, including all relevant software, that is identical or substantially similar to what will be marketed, distributed, and deployed in Washington;

(b) A copy of detailed technical materials and diagrams associated with the equipment and software, and all of the operational procedures and manuals, including relevant hardware and software manuals; and

(c) Other technical specifications as requested by the commission.

(4) The manufacturer or its designee must install, configure, and support the equipment/software to allow us to fully evaluate its operation. Evaluation may include, but is not limited to, interoperability, communication, security, and player protection issues.

(5) We will notify the manufacturer or their designee in writing if we require additional equipment or information for our evaluation. The manufacturer or its designee must provide us with the requested equipment or information within thirty days from the date of our written request or we may administratively close our review and deny the requested rule change.

[Statutory Authority: RCW 9.46.070. WSR 18-04-001, § 230-17-192, filed 1/24/18, effective 2/24/18.]