

WASHINGTON STATE GAMBLING COMMISSION

SUMMARY

Mission:

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

Foster full cooperation between the Tribe and the State based upon equality and a shared concern for the welfare of all the citizens of the State and the Tribe as a result of gaming.

Of the 29 federally recognized Tribes in Washington State, 29 have Compacts for Class III gaming and 22 of the Tribes operate 28 casinos. In 2013 and 2014, the Tribes had over \$2.2 and \$2.3 billion respectively in net receipts, or the amount wagered less prizes paid.

This report highlights some of the activities and changes that the Gambling Commission has implemented to better enhance the co-regulatory relationship between the State and the Tribal Gaming Agencies and to support our agency's mission to protect the public by ensuring gambling is legal and honest.

HIGHLIGHTS

We have mutually agreed to an initial Class III Gaming Compact with the Cowlitz Indian Tribe as the result of several years of negotiation. The proposed compact is substantively similar to existing compacts with other Indian Tribes within the State.

On June 4, 2015, a negotiated amendment to the Class III Gaming Compact's Appendix X2 of 26 of the 29 compacted Tribes was finalized as published in the federal register. The amendment formalized the restricted use of electronic benefits cards; increased each tribe's allocation of player terminals from 975 to 1,075; eliminated the 10% pre-payment discount, credit and alternative fee agreement options, and allowed for an increase of player terminal allocations by 50 after certain market conditions are met and certified by our agency.

In July 2015, our Director David Trujillo spoke at a United States Congressional Oversight Hearing and testified to the positive and strong government-to-government relationship the Gambling Commission enjoys with Washington State Tribes and that regulation is strong with regard to Class III gaming. This hearing was the result of a 2013 request by Senators Cantwell, McCain, Tester, and Barrasso to the Government Accountability Office (GAO) to review Indian gaming regulation because it has been more than 25 years since the federal Indian Gaming Regulatory Act of 1988 passed. The GAO issued its final report in June 2015.

During the year, our commissioners met with several Tribes to learn more about the Tribe and the Tribe's gaming operation. They plan to continue these visits into the future.

We jointly agreed to 32 clarifications to Compact Appendices through Appendix A and Appendix X2 revisions, and concurred with 321 internal control and games rule submissions.

In September, we conducted a week-long New Agent Training class for 35 students in partnership with the Lummi Tribal Gaming Agency. Our agency, the National Indian Gambling Commission, and the Lummi Nation provided instructors for the classes relating to the history and regulation of Class III gaming in Washington State.

We also conducted a 1-day intermediate Tribal Lottery System class in July for 20 students. The class promotes discussion and provides practical exercises on Tribal Lottery System structure and components, common system risks, security, and regulation.

TRIBAL CERTIFICATION/ELIGIBILITY

We continue to explore our processes for efficiencies with our Tribal partners.

Specifically, we made more processes available electronically through deployment of “My Account.” My Account allows for an online account unique to each Tribe. These online features make it easier for the Tribes and us to conduct business with one another and in October, 2014 we made applying for a new class III certification available. We have had several of our Tribal partners use the new process and we have received very positive remarks.

We made improvements to our internal processes, in consultation with our Tribal partners, in after two inter-governmental Licensing meetings in 2014. 68 attendees representing 16 Tribes were involved in the meetings. An example of one such improvement involved communication of ownership changes ensuring vendors were properly licensed by the State and Tribe. Another example included our evaluation of how we correspond with a Tribe’s unique licensing department regarding administrative actions involving Tribal gaming employees. To simplify the process, we discontinued sending letters through the U.S. Mail and sent letters through email only. Previously, we were emailing and mailing the letters. As some TGA’s move towards paperless files, this helps save time by not having to review duplicate letters in different formats.

STAFF CONTACT

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