
HOUSE BILL 1218

State of Washington

60th Legislature

2007 Regular Session

By Representatives Conway, Wood, Condotta, Kenney and Moeller; by request of Gambling Commission

Read first time 01/15/2007. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to the temporary issuance, summary suspension, and
2 renewal of licenses by the gambling commission; and amending RCW
3 9.46.070.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 9.46.070 and 2002 c 119 s 1 are each amended to read
6 as follows:

7 The commission shall have the following powers and duties:

8 (1) To authorize and issue licenses for a period not to exceed one
9 year to bona fide charitable or nonprofit organizations approved by the
10 commission meeting the requirements of this chapter and any rules and
11 regulations adopted pursuant thereto permitting said organizations to
12 conduct bingo games, raffles, amusement games, and social card games,
13 to utilize punch boards and pull-tabs in accordance with the provisions
14 of this chapter and any rules and regulations adopted pursuant thereto
15 and to revoke or suspend said licenses for violation of any provisions
16 of this chapter or any rules and regulations adopted pursuant thereto:
17 PROVIDED, That the commission shall not deny a license to an otherwise
18 qualified applicant in an effort to limit the number of licenses to be
19 issued: PROVIDED FURTHER, That the commission or director shall not

1 issue, deny, suspend, or revoke any license because of considerations
2 of race, sex, creed, color, or national origin: AND PROVIDED FURTHER,
3 That the commission may authorize the director to temporarily issue or
4 suspend licenses subject to final action by the commission;

5 (2) To authorize and issue licenses for a period not to exceed one
6 year to any person, association, or organization operating a business
7 primarily engaged in the selling of items of food or drink for
8 consumption on the premises, approved by the commission meeting the
9 requirements of this chapter and any rules and regulations adopted
10 pursuant thereto permitting said person, association, or organization
11 to utilize punch boards and pull-tabs and to conduct social card games
12 as a commercial stimulant in accordance with the provisions of this
13 chapter and any rules and regulations adopted pursuant thereto and to
14 revoke or suspend said licenses for violation of any provisions of this
15 chapter and any rules and regulations adopted pursuant thereto:
16 PROVIDED, That the commission shall not deny a license to an otherwise
17 qualified applicant in an effort to limit the number of licenses to be
18 issued: PROVIDED FURTHER, That the commission may authorize the
19 director to temporarily issue or suspend licenses subject to final
20 action by the commission;

21 (3) To authorize and issue licenses for a period not to exceed one
22 year to any person, association, or organization approved by the
23 commission meeting the requirements of this chapter and meeting the
24 requirements of any rules and regulations adopted by the commission
25 pursuant to this chapter as now or hereafter amended, permitting said
26 person, association, or organization to conduct or operate amusement
27 games in such manner and at such locations as the commission may
28 determine. The commission may authorize the director to temporarily
29 issue or suspend licenses subject to final action by the commission;

30 (4) To authorize, require, and issue, for a period not to exceed
31 one year, such licenses as the commission may by rule provide, to any
32 person, association, or organization to engage in the selling,
33 distributing, or otherwise supplying or in the manufacturing of devices
34 for use within this state for those activities authorized by this
35 chapter. The commission may authorize the director to temporarily
36 issue or suspend licenses subject to final action by the commission;

37 (5) To establish a schedule of annual license fees for carrying on
38 specific gambling activities upon the premises, and for such other

1 activities as may be licensed by the commission, which fees shall
2 provide to the commission not less than an amount of money adequate to
3 cover all costs incurred by the commission relative to licensing under
4 this chapter and the enforcement by the commission of the provisions of
5 this chapter and rules and regulations adopted pursuant thereto:
6 PROVIDED, That all licensing fees shall be submitted with an
7 application therefor and such portion of said fee as the commission may
8 determine, based upon its cost of processing and investigation, shall
9 be retained by the commission upon the withdrawal or denial of any such
10 license application as its reasonable expense for processing the
11 application and investigation into the granting thereof: PROVIDED
12 FURTHER, That if in a particular case the basic license fee established
13 by the commission for a particular class of license is less than the
14 commission's actual expenses to investigate that particular
15 application, the commission may at any time charge to that applicant
16 such additional fees as are necessary to pay the commission for those
17 costs. The commission may decline to proceed with its investigation
18 and no license shall be issued until the commission has been fully paid
19 therefor by the applicant: AND PROVIDED FURTHER, That the commission
20 may establish fees for the furnishing by it to licensees of
21 identification stamps to be affixed to such devices and equipment as
22 required by the commission and for such other special services or
23 programs required or offered by the commission, the amount of each of
24 these fees to be not less than is adequate to offset the cost to the
25 commission of the stamps and of administering their dispersal to
26 licensees or the cost of administering such other special services,
27 requirements or programs;

28 (6) To prescribe the manner and method of payment of taxes, fees
29 and penalties to be paid to or collected by the commission;

30 (7) To require that applications for all licenses contain such
31 information as may be required by the commission: PROVIDED, That all
32 persons (a) having a managerial or ownership interest in any gambling
33 activity, or the building in which any gambling activity occurs, or the
34 equipment to be used for any gambling activity, or (b) participating as
35 an employee in the operation of any gambling activity, shall be listed
36 on the application for the license and the applicant shall certify on
37 the application, under oath, that the persons named on the application
38 are all of the persons known to have an interest in any gambling

1 activity, building, or equipment by the person making such application:
2 PROVIDED FURTHER, That the commission shall require fingerprinting and
3 national criminal history background checks on any persons seeking
4 licenses, certifications, or permits under this chapter or of any
5 person holding an interest in any gambling activity, building, or
6 equipment to be used therefor, or of any person participating as an
7 employee in the operation of any gambling activity. All national
8 criminal history background checks shall be conducted using
9 fingerprints submitted to the United States department of justice-
10 federal bureau of investigation. The commission must establish rules
11 to delineate which persons named on the application are subject to
12 national criminal history background checks. In identifying these
13 persons, the commission must take into consideration the nature,
14 character, size, and scope of the gambling activities requested by the
15 persons making such applications;

16 (8) To require that any license holder maintain records as directed
17 by the commission and submit such reports as the commission may deem
18 necessary;

19 (9) To require that all income from bingo games, raffles, and
20 amusement games be recorded and reported as established by rule or
21 regulation of the commission to the extent deemed necessary by
22 considering the scope and character of the gambling activity in such a
23 manner that will disclose gross income from any gambling activity,
24 amounts received from each player, the nature and value of prizes, and
25 the fact of distributions of such prizes to the winners thereof;

26 (10) To regulate and establish maximum limitations on income
27 derived from bingo. In establishing limitations pursuant to this
28 subsection the commission shall take into account ~~((+i+))~~ (a) the
29 nature, character, and scope of the activities of the licensee;
30 ~~((+ii+))~~ (b) the source of all other income of the licensee; and
31 ~~((+iii+))~~ (c) the percentage or extent to which income derived from
32 bingo is used for charitable, as distinguished from nonprofit,
33 purposes. However, the commission's powers and duties granted by this
34 subsection are discretionary and not mandatory;

35 (11) To regulate and establish the type and scope of and manner of
36 conducting the gambling activities authorized by this chapter,
37 including but not limited to, the extent of wager, money, or other

1 thing of value which may be wagered or contributed or won by a player
2 in any such activities;

3 (12) To regulate the collection of and the accounting for the fee
4 which may be imposed by an organization, corporation, or person
5 licensed to conduct a social card game on a person desiring to become
6 a player in a social card game in accordance with RCW 9.46.0282;

7 (13) To cooperate with and secure the cooperation of county, city,
8 and other local or state agencies in investigating any matter within
9 the scope of its duties and responsibilities;

10 (14) In accordance with RCW 9.46.080, to adopt such rules and
11 regulations as are deemed necessary to carry out the purposes and
12 provisions of this chapter. All rules and regulations shall be adopted
13 pursuant to the administrative procedure act, chapter 34.05 RCW;

14 (15) To set forth for the perusal of counties, city-counties,
15 cities and towns, model ordinances by which any legislative authority
16 thereof may enter into the taxing of any gambling activity authorized
17 by this chapter;

18 (16)(a) To establish and regulate a maximum limit on salaries or
19 wages which may be paid to persons employed in connection with
20 activities conducted by bona fide charitable or nonprofit organizations
21 and authorized by this chapter, where payment of such persons is
22 allowed, and to regulate and establish maximum limits for other
23 expenses in connection with such authorized activities, including but
24 not limited to rent or lease payments. However, the commissioner's
25 powers and duties granted by this subsection are discretionary and not
26 mandatory.

27 (b) In establishing these maximum limits the commission shall take
28 into account the amount of income received, or expected to be received,
29 from the class of activities to which the limits will apply and the
30 amount of money the games could generate for authorized charitable or
31 nonprofit purposes absent such expenses. The commission may also take
32 into account, in its discretion, other factors, including but not
33 limited to, the local prevailing wage scale and whether charitable
34 purposes are benefited by the activities;

35 (17) To authorize, require, and issue for a period not to exceed
36 one year such licenses or permits, for which the commission may by rule
37 provide, to any person to work for any operator of any gambling
38 activity authorized by this chapter in connection with that activity,

1 or any manufacturer, supplier, or distributor of devices for those
2 activities in connection with such business. The commission may
3 authorize the director to temporarily issue or suspend licenses subject
4 to final action by the commission. The commission shall not require
5 that persons working solely as volunteers in an authorized activity
6 conducted by a bona fide charitable or bona fide nonprofit
7 organization, who receive no compensation of any kind for any purpose
8 from that organization, and who have no managerial or supervisory
9 responsibility in connection with that activity, be licensed to do such
10 work. The commission may require that licensees employing such
11 unlicensed volunteers submit to the commission periodically a list of
12 the names, addresses, and dates of birth of the volunteers. If any
13 volunteer is not approved by the commission, the commission may require
14 that the licensee not allow that person to work in connection with the
15 licensed activity;

16 (18) To publish and make available at the office of the commission
17 or elsewhere to anyone requesting it a list of the commission
18 licensees, including the name, address, type of license, and license
19 number of each licensee;

20 (19) To establish guidelines for determining what constitutes
21 active membership in bona fide nonprofit or charitable organizations
22 for the purposes of this chapter; ((and))

23 (20) To renew the license of every person who applies for renewal
24 within six months after being honorably discharged, removed, or
25 released from active military service in the armed forces of the United
26 States upon payment of the renewal fee applicable to the license
27 period, if there is no cause for denial, suspension, or revocation of
28 the license; and

29 (21) To perform all other matters and things necessary to carry out
30 the purposes and provisions of this chapter.

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