
SENATE BILL 5558

State of Washington 60th Legislature 2007 Regular Session

By Senators Prentice, Honeyford, Kohl-Welles, Delvin, Franklin, Pflug, Keiser, Marr, Fairley and Clements

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1 AN ACT Relating to regulating house-banked social card games;
2 amending RCW 9.46.295 and 9.46.070; adding new sections to chapter 9.46
3 RCW; and creating new sections.

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

5 NEW SECTION. **Sec. 1.** POLICY STATEMENT. In keeping with the
6 gambling policy statement in RCW 9.46.010, the legislature intends to:

7 (1) Limit the number of licenses that may be issued for conducting
8 house-banked social card games; and

9 (2) Grant local jurisdictions limited authority to determine the
10 areas within which house-banked social card games may be conducted.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 9.46 RCW
12 to read as follows:

13 LIMIT ON HOUSE-BANKED CARD GAME LICENSES. (1) Except as provided in
14 subsection (3)(b) of this section, the commission may not accept or
15 approve an application to be licensed to conduct a house-banked social
16 card game unless the applicant:

17 (a) As of January 1, 2007, was in operation under an unrevoked and

1 unexpired license to conduct a house-banked social card game in the
2 location identified in the license;

3 (b) As of January 1, 2007, had submitted a completed application to
4 obtain a license to conduct a house-banked social card game at an
5 identified location;

6 (c) Has purchased some or all of the assets of a business issued a
7 license under (a) or (b) of this subsection to conduct a house-banked
8 social card game and the application is for a license to continue to
9 conduct such games in the location identified in the previous license;
10 or

11 (d) Having been issued a license under (a), (b), or (c) of this
12 subsection, submits a timely application to renew the license for the
13 location identified in the license.

14 (2) A city, town, or county may not prohibit the holder of a
15 license issued by the commission to conduct a house-banked social card
16 game from conducting such games in the location identified by such
17 license except as follows:

18 (a) The jurisdiction has a prohibition in effect, enacted after the
19 effective date of this section, applying to house-banked social card
20 games that complies with RCW 9.46.295(1)(a).

21 (b) A jurisdiction, with a prohibition in effect applying to
22 house-banked social card games that complies with RCW 9.46.295(1)(a),
23 that annexes territory within which a holder of a license issued by the
24 commission to conduct a house-banked social card game is conducting
25 such games may prohibit that licensee from conducting such games;
26 however, such prohibition may not take effect until at least eighteen
27 months after the adoption of the ordinance, resolution, or other
28 legislative act prohibiting the licensee.

29 (3) This section does not restrict the right of:

30 (a) A holder of financial interest in the assets of an entity
31 licensed by the commission to conduct a house-banked social card game
32 from selling, exchanging, or otherwise transferring such interests in
33 such assets, subject to commission rules regarding the transfer of
34 gambling equipment.

35 (b) A holder of a license issued by the commission to conduct
36 house-banked social card games to relocate that business, subject to
37 the commission's review and approval, but only if the jurisdiction to

1 which the licensee proposes to relocate has in effect an ordinance,
2 resolution, or other legislative act enacted pursuant to section 4 of
3 this act.

4 **Sec. 3.** RCW 9.46.295 and 1974 ex.s. c 155 s 6 are each amended to
5 read as follows:

6 LOCAL JURISDICTION OPTIONS. (1) Any license to engage in any of
7 the gambling activities authorized by this chapter ((as now exists or
8 as hereafter amended,)) and issued under the authority thereof shall be
9 legal authority to engage in the gambling activities for which issued
10 throughout the incorporated and unincorporated area of any county,
11 except that a city or town located therein with respect to that city or
12 town, or a county with respect to all areas within that county except
13 for such cities or towns, may:

14 (a) Absolutely prohibit((, but may not change the scope of
15 license,)) any or all of the gambling activities for which the license
16 was issued. However, such prohibition enacted after the effective date
17 of this section relating to house-banked social card games may not be
18 repealed for at least three years from the effective date of the
19 ordinance, resolution, or other legislative act enacting the
20 prohibition; or

21 (b) Determine the areas within which house-banked social card games
22 may be relocated as provided in section 4 of this act.

23 (2) This section does not authorize any city, town, or county to
24 adopt or enforce any ordinance, resolution, or other legislative act
25 changing or purporting to change the scope of a license issued under
26 this chapter.

27 NEW SECTION. **Sec. 4.** A new section is added to chapter 9.46 RCW
28 to read as follows:

29 RELOCATION ZONING ORDINANCES AUTHORIZED. (1) A city, town, or
30 county that has, pursuant to chapter 36.70A RCW, adopted a
31 comprehensive land use plan containing a statement identifying the
32 jurisdiction's policy regarding the extent to which licensed gambling
33 activity is to be allowed within the jurisdiction may enact, amend, and
34 enforce an ordinance, resolution, or other legislative act, consistent
35 with the policy statement in the comprehensive plan and subject to

1 subsection (2) of this section, that does either or both of the
2 following:

3 (a) Allows the relocation of house-banked social card games within
4 all or part of the city, town, or county. If the ordinance,
5 resolution, or other legislative act allows such games in only part of
6 the jurisdiction, it must:

7 (i) Designate a land use zone or zones that is not less than
8 one-third of the land use zone or zones within which eating and
9 drinking establishments licensed by the liquor control board are
10 allowed to operate;

11 (ii) Apply uniformly throughout each designated land use zone or
12 zones within the jurisdiction, with no authority to grant variances or
13 nonconforming uses based on house-banked social card games; and

14 (iii) Apply only to house-banked social card rooms that did not
15 have an identified location in the jurisdiction as of January 1, 2007.

16 (b)(i) Prohibits house-banked social card games from relocating
17 within up to five hundred feet of any of the following uses that
18 existed on the initial application date of the license, as long as the
19 resulting land use zone or zones complies with (a) of this subsection:

20 (A) A building used exclusively for religious worship, religious
21 schooling, or other activity in connection therewith;

22 (B) A residence located in a zone composed predominantly of
23 single-family or multifamily residences;

24 (C) A tax-supported public elementary or secondary school or
25 private school meeting the requirements for private schools under Title
26 28A RCW; or

27 (D) Publicly owned or leased buildings designated within the
28 jurisdiction's comprehensive plan and used exclusively by the
29 jurisdiction as a place of business for its employees, elected
30 officials, or for public meetings, including but not limited to any
31 library, courthouse, jail, police station, or fire station.

32 (ii) Any distances established for the purposes of this subsection
33 (1)(b) must be measured in a straight line from the perimeter property
34 line of the grounds of the use identified under this subsection to the
35 nearest property line of the property within which an applicant has
36 applied to locate a house-banked social card game.

37 (2) The repeal of a land use zone enacted pursuant to this section
38 may not apply for at least three years from the effective date of such

1 ordinance, resolution, or other legislative act to the holder of a
2 license issued by the commission to conduct house-banked social card
3 games who is conducting such games in that location within the
4 jurisdiction on the date that the repeal took effect.

5 (3) For the purposes of this section, "land use zone" means any
6 area within a jurisdiction that: (a) Is defined by an action of a
7 jurisdiction's legislative body and appears on the jurisdiction's land
8 use zoning map; (b) is situated within a single, continuous, and
9 discrete boundary perimeter; and (c) uses within the area are subject
10 to the same zoning regulations, definitions, or standards as may be
11 determined by the jurisdiction.

12 (4) The land use petition act, chapter 36.70C RCW, governs
13 challenges regarding the adoption or enforcement of an ordinance,
14 resolution, or other legislative act enacted or amended pursuant to
15 this section.

16 (5) The commission, acting in good faith, is immune from liability
17 for damages for issuing or failing to issue a license for conducting a
18 house-banked social card game to the extent that a claim is based on
19 the commission's interpretation of an ordinance, resolution, or other
20 legislative act enacted or amended pursuant to this section.

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

23 POWERS AND DUTIES OF GAMBLING COMMISSION. The commission shall
24 have the following powers and duties:

25 (1) To authorize and issue licenses for a period not to exceed one
26 year to bona fide charitable or nonprofit organizations approved by the
27 commission meeting the requirements of this chapter and any rules (~~and~~
28 ~~regulations~~) adopted pursuant thereto permitting said organizations to
29 conduct bingo games, raffles, amusement games, and social card games,
30 to utilize punch boards and pull-tabs in accordance with the provisions
31 of this chapter and any rules (~~and regulations~~) adopted pursuant
32 thereto and to revoke or suspend (~~said~~) such licenses for violation
33 of any provisions of this chapter or any rules (~~and regulations~~)
34 adopted pursuant thereto(~~:- PROVIDED, That~~). However, except as
35 provided in section 2 of this act, the commission shall not deny a
36 license to an otherwise qualified applicant in an effort to limit the
37 number of licenses to be issued: PROVIDED FURTHER, That the commission

1 or director shall not issue, deny, suspend, or revoke any license
2 because of considerations of race, sex, creed, color, or national
3 origin: AND PROVIDED FURTHER, That the commission may authorize the
4 director to temporarily issue or suspend licenses subject to final
5 action by the commission;

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

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

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

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~~) such fee as the
8 commission may determine, based upon its cost of processing and
9 investigation, shall be retained by the commission upon the withdrawal
10 or denial of any such license application as its reasonable expense for
11 processing the application and investigation into the granting thereof:
12 PROVIDED FURTHER, That if in a particular case the basic license fee
13 established by the commission for a particular class of license is less
14 than the 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) the nature,
29 character, and scope of the activities of the licensee; (ii) the source
30 of all other income of the licensee; and (iii) the percentage or extent
31 to which income derived from bingo is used for charitable, as
32 distinguished from nonprofit, purposes. However, the commission's
33 powers and duties granted by this subsection are discretionary and not
34 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
13 adopted pursuant to the administrative procedure act, chapter 34.05
14 RCW;

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

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

27 In establishing these maximum limits the commission shall take into
28 account the amount of income received, or expected to be received, from
29 the class of activities to which the limits will apply and the amount
30 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 shall not
3 require that persons working solely as volunteers in an authorized
4 activity conducted by a bona fide charitable or bona fide nonprofit
5 organization, who receive no compensation of any kind for any purpose
6 from that organization, and who have no managerial or supervisory
7 responsibility in connection with that activity, be licensed to do such
8 work. The commission may require that licensees employing such
9 unlicensed volunteers submit to the commission periodically a list of
10 the names, addresses, and dates of birth of the volunteers. If any
11 volunteer is not approved by the commission, the commission may require
12 that the licensee not allow that person to work in connection with the
13 licensed activity;

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

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

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

23 NEW SECTION. **Sec. 6.** CAPTIONS. Captions as used in this act do
24 not constitute any part of the law.

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