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HOUSE BILL 2873

State of Washington 61st Legislature 2010 Regular Session

By Representatives Conway, Green, and Simpson

Read first time 01/15/10. Referred to Committee on Commerce & Labor.

- 1 AN ACT Relating to permitting local governments to limit house-
- 2 banked social card games within their jurisdictions; amending RCW
- 3 9.46.295; adding new sections to chapter 9.46 RCW; and creating a new
- 4 section.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** In keeping with the gambling policy statement in RCW 9.46.010, the legislature intends to:
- 8 (1) Assure a local jurisdiction authority to ban or allow house-9 banked social card games within its jurisdiction;
- 10 (2) Provide local jurisdictions with a tool to limit house-banked 11 social card games within their jurisdictions; and
- 12 (3) Reduce uncertainty by legalizing prior efforts by local jurisdictions to limit house-banked social card games.
- 14 **Sec. 2.** RCW 9.46.295 and 2009 c 550 s 2 are each amended to read 15 as follows:
- 16 (1) Any license to engage in any of the gambling activities
- 17 authorized by this chapter ((as now exists or as hereafter amended)),
- 18 and issued under the authority thereof shall be legal authority to

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engage in the gambling activities for which issued throughout the incorporated and unincorporated area of any county, except that a city or town located therein with respect to that city, town, or a county with respect to all areas within that county except for such cities or towns, may: (a) Absolutely prohibit((, but may not change the scope of license,)) any or all of the gambling activities for which the license was issued; or (b) limit house-banked social card game businesses as provided in section 3 of this act. However, a city, town, or county that adopts a legislative act under this subsection may not repeal the legislative act for ten years after the effective date of the legislative act.

- (2) A legislative act adopted by a city, town, or county in effect on December 1, 2009, that limits house-banked social card games is deemed to be an act adopted in compliance with this section.
- (3) This section does not authorize any city, town, or county to adopt or enforce any legislative act changing or purporting to change the scope of a license issued under this chapter.
- ((\(\frac{(2)}{2}\)) (4) A city or town with a prohibition on house-banked social card game licenses that annexes an area that is within a city, town, or county that permits house-banked social card games may allow a house-banked social card game business that was licensed by the commission as of July 26, 2009, to continue operating if the city or town is authorized to impose a tax under RCW 82.14.415 and can demonstrate that the continuation of the house-banked social card game business will reduce the credit against the state sales and use tax as provided in RCW 82.14.415(7). A city or town that allows a house-banked social card game business in an annexed area to continue operating is not required to allow additional house-banked social card game businesses.
- NEW SECTION. Sec. 3. (1) A city, town, or county may adopt a legislative act limiting the number of house-banked social card game businesses to the number located in the jurisdiction on the effective date of the legislative act adopted by the city, town, or county. However, this number is reduced by one for each business that ceases to operate as provided in this section. A house-banked social card game licensee or purchaser of the business of a licensee may not increase

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the number of tables to a number greater than the number authorized at the time of the legislative act.

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- (2)(a) Except as provided in (b) of this subsection, nothing in this section prohibits sale of a house-banked social card game business, sale of nongambling assets of a house-banked social card game business, or change of location of a house-banked social card game business.
- 8 (b) If a house-banked social card game business ceases to operate,9 the following are prohibited:
 - (i) Sale of the business, other than a sale in connection with a change of location outside the jurisdiction; and
 - (ii) A change of location of the business within the jurisdiction.
- 13 (3) For the purposes of this section, "ceases to operate" means a 14 business does not owe any taxes imposed under RCW 9.46.110 for six 15 consecutive months.
- 16 (4) The commission shall not issue a house-banked social card game 17 license that will increase the number of licensees in the jurisdiction 18 to a number greater than that authorized under this section.
- NEW SECTION. Sec. 4. (1) A city, town, or county that has adopted a legislative act under RCW 9.46.295 (1)(b) or (2) must file a copy of the legislative act with the commission. The commission must adopt rules that allow the city, town, or county to electronically file the ordinance, resolution, or other legislative act with the commission.
 - (2) A licensee or applicant must inform and verify to commission staff that it is permitted to conduct house-banked social card games in the jurisdiction when it applies or reapplies for a license. A verification under this subsection may consist of a letter certifying that the licensee may operate in the jurisdiction. The commission may adopt rules about the verification required.
 - (3) The commission, its members, and staff are absolutely immune from any legal action relating to a decision of the commission, such as issuing, renewing, or not issuing a license based on the provisions of RCW 9.46.295 or section 3 of this act; or one that is based on the commission's interpretation of RCW 9.46.295 or section 3 of this act or any local ordinance, resolution, or other legislative act enacted or amended under RCW 9.46.295 or section 3 of this act. No court, board,

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- agency, entity, or tribunal of any kind has jurisdiction to join the commission as a party to any such legal action.
- NEW SECTION. Sec. 5. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.
- NEW SECTION. **Sec. 6.** Sections 3 and 4 of this act are each added to chapter 9.46 RCW.

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