**2638-S.E AMS RIVE S7454.1 - NOT FOR FLOOR USE**

**ESHB 2638** - S AMD **1313**

By Senator Rivers

**OUT OF ORDER 03/05/2020**

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec.**  It has long been the policy of this state to prohibit all forms and means of gambling except where carefully and specifically authorized and regulated. The legislature intends to authorize sports wagering in a limited and controlled manner. In order to accomplish this, the legislature intends that only card rooms that are currently licensed and tribal casinos be allowed to conduct sports wagering. The legislature further intends that expansion beyond this limited authorization is inappropriate.

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

(1) Upon the request of a federally recognized Indian tribe or tribes in the state of Washington, the tribe's class III gaming compact may be amended pursuant to the Indian gaming regulatory act, 25 U.S.C. Sec. 2701 et seq., and RCW 9.46.360 to authorize the tribe to conduct and operate sports wagering on its Indian lands, provided the amendment addresses: Licensing; fees associated with the gambling commission's regulation of sports wagering; how sports wagering will be conducted, operated, and regulated; issues related to criminal enforcement, including money laundering, sport integrity, and information sharing between the commission and the tribe related to such enforcement; and responsible and problem gambling. Sports wagering conducted pursuant to the gaming compact is a gambling activity authorized by this chapter.

(2) Beginning January 1, 2024, card rooms may conduct sports wagering through sports pools and online sports pools at the card room facility as provided in this chapter.

(3) The commission may issue licenses prior to January 1, 2024, to be effective on January 1, 2024. The commission may not issue a sports wagering license to any person or entity unless it was licensed and in operation as a card room as of January 1, 2020, and has established its financial stability, integrity, responsibility, good character, and honesty. No license to operate a sports pool may be issued to any person or entity that is disqualified for a license under chapter 9.46 or 67.16 RCW. The commission has the authority to charge a card room a fee for the issuance of a sports wagering license in an amount of five hundred thousand dollars for the initial issuance and, in the case of a renewal, a reasonable fee adopted by rule that is based upon the expense associated with renewal, enforcement, and programs for the prevention and treatment of problem gambling.

(4) Sports wagering conducted pursuant to the provisions of this chapter is authorized bookmaking and is not subject to civil or criminal penalties pursuant to RCW 9.46.225.

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

(1) No sports wagering may be offered or made available to the public, except as provided in this chapter.

(2) Any person who offers sports wagering without a license or pursuant to a compact is guilty of a class B felony and is subject to a fine of not more than twenty-five thousand dollars, and, in the case of a person other than a natural person, a fine of not more than one hundred thousand dollars.

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

(1)(a) Any person who: (i) Is an athlete, coach, referee, or director of a sports governing body or any of its member teams; (ii) is a sports governing body or any of its member teams; (iii) is a player or a referee personnel member in or on any sports event overseen by that person's sports governing body based on publicly available information; (iv) holds a position of authority or influence sufficient to exert influence over the participants in a sporting contest, including, but not limited to, coaches, managers, handlers, athletic trainers, or horse trainers; (v) has access to certain types of exclusive information on any sports event overseen by that person's sports governing body based on publicly available information; or (vi) is identified by any lists provided by the sports governing body to the commission, may not have any ownership interest in, control of, or otherwise be employed by, an operator, a sports wagering licensee, or a facility in which sports wagering is or will be conducted, or place a wager on a sports event that is overseen by that person's sports governing body based on publicly available information. Any person who violates this subsection is guilty of a misdemeanor and must, upon conviction, be punished by either imprisonment in the county jail for a maximum term fixed by the court of not more than ninety days or a fine in an amount fixed by the court of not more than one thousand dollars, or both.

(b) Any employee of a sports governing body or its member teams who is not prohibited from wagering on a sports event must provide notice to the commission prior to placing a wager on a sports event.

(c) The direct or indirect legal or beneficial owner of ten percent or more of a sports governing body or any of its member teams may not place or accept any wager on a sports event in which any member team of that sports governing body participates.

(2) The prohibition set forth in subsection (1) of this section does not apply to any person who is a direct or indirect owner of a specific sports governing body member team, and (a) the person has less than ten percent direct or indirect ownership interest in a casino or racetrack, or (b) the shares of such person are registered pursuant to section 12 of the securities exchange act of 1934 (15 U.S.C. Sec. 781), as amended, and the value of the ownership of such team represents less than one percent of the person's total enterprise value.

(3) An operator must adopt procedures to prevent persons who are prohibited from placing sports wagers from wagering on sports events.

(4) An operator may not accept wagers from any person whose identity is known to the operator and:

(a) Whose name appears on any self-exclusion programs list provided under RCW 9.46.071;

(b) Who is the operator, director, officer, owner, or employee of the operator or any relative thereof living in the same household as the operator;

(c) Who has access to nonpublic confidential information held by the operator; or

(d) Who is an agent or proxy for any other person.

(5) An operator must adopt procedures to obtain personally identifiable information from any individual who places any single wager in an amount of ten thousand dollars or greater on a sports event while physically present in a tribal casino or card room facility.

(6) For purposes of this section, "operator" means a tribal casino or card room conducting sport wagering.

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

(1) The commission may adopt rules to implement section 2 of this act. These rules may not be more restrictive for card rooms conducting sport wagering than the provisions authorizing sports wagering in any tribe's class III gaming compact with the state.

(2) The rules may address the following:

(a) Documentation and forms required for licensing;

(b) Licensing of employees conducting sport wagering;

(c) How wagering may be conducted, including requiring licensees to adopt and display its house rules governing sport wagering transactions;

(d) How unclaimed winnings may be disbursed, including providing for a percentage of the unclaimed winning to be remitted to the problem gambling account created in RCW 41.05.751; and

(e) Other matters as the commission deems necessary to protect the public and integrity of sport wagering.

**Sec.**  RCW 9.46.070 and 2012 c 116 s 1 are each amended to read as follows:

The commission shall have the following powers and duties:

(1) To authorize and issue licenses for a period not to exceed one year to bona fide charitable or nonprofit organizations approved by the commission meeting the requirements of this chapter and any rules and regulations adopted pursuant thereto permitting said organizations to conduct bingo games, raffles, amusement games, and social card games, to utilize punchboards and pull-tabs in accordance with the provisions of this chapter and any rules and regulations adopted pursuant thereto and to revoke or suspend said licenses for violation of any provisions of this chapter or any rules and regulations adopted pursuant thereto: PROVIDED, That the commission shall not deny a license to an otherwise qualified applicant in an effort to limit the number of licenses to be issued: PROVIDED FURTHER, That the commission or director shall not issue, deny, suspend, or revoke any license because of considerations of race, sex, creed, color, or national origin: AND PROVIDED FURTHER, That the commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission;

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

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

(4) To authorize, require, and issue, for a period not to exceed one year, such licenses as the commission may by rule provide, to any person, association, or organization to engage in the manufacturing, selling, distributing, or otherwise supplying ((~~or in the manufacturing~~)) of devices, equipment, software, hardware, or any gambling-related services for use within this state for those activities authorized by this chapter. The commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission;

(5) To establish a schedule of annual license fees for carrying on specific gambling activities upon the premises, and for such other activities as may be licensed by the commission, which fees shall provide to the commission not less than an amount of money adequate to cover all costs incurred by the commission relative to licensing under this chapter and the enforcement by the commission of the provisions of this chapter and rules and regulations adopted pursuant thereto: PROVIDED, That all licensing fees shall be submitted with an application therefor and such portion of said fee as the commission may determine, based upon its cost of processing and investigation, shall be retained by the commission upon the withdrawal or denial of any such license application as its reasonable expense for processing the application and investigation into the granting thereof: PROVIDED FURTHER, That if in a particular case the basic license fee established by the commission for a particular class of license is less than the commission's actual expenses to investigate that particular application, the commission may at any time charge to that applicant such additional fees as are necessary to pay the commission for those costs. The commission may decline to proceed with its investigation and no license shall be issued until the commission has been fully paid therefor by the applicant: AND PROVIDED FURTHER, That the commission may establish fees for the furnishing by it to licensees of identification stamps to be affixed to such devices and equipment as required by the commission and for such other special services or programs required or offered by the commission, the amount of each of these fees to be not less than is adequate to offset the cost to the commission of the stamps and of administering their dispersal to licensees or the cost of administering such other special services, requirements or programs;

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

(7) To require that applications for all licenses contain such information as may be required by the commission: PROVIDED, That all persons (a) having a managerial or ownership interest in any gambling activity, or the building in which any gambling activity occurs, or the equipment to be used for any gambling activity, ((~~or~~)) (b) participating as an employee in the operation of any gambling activity, or (c) participating as an employee in the operation, management, or providing of gambling-related services for sports wagering, shall be listed on the application for the license and the applicant shall certify on the application, under oath, that the persons named on the application are all of the persons known to have an interest in any gambling activity, building, or equipment by the person making such application: PROVIDED FURTHER, That the commission shall require fingerprinting and national criminal history background checks on any persons seeking licenses, certifications, or permits under this chapter or of any person holding an interest in any gambling activity, building, or equipment to be used therefor, or of any person participating as an employee in the operation of any gambling activity. All national criminal history background checks shall be conducted using fingerprints submitted to the United States department of justice-federal bureau of investigation. The commission must establish rules to delineate which persons named on the application are subject to national criminal history background checks. In identifying these persons, the commission must take into consideration the nature, character, size, and scope of the gambling activities requested by the persons making such applications;

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

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

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

(11) To regulate and establish the type and scope of and manner of conducting the gambling activities authorized by this chapter, including but not limited to, the extent of wager, money, or other thing of value which may be wagered or contributed or won by a player in any such activities;

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

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

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

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

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

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

(17) To authorize, require, and issue for a period not to exceed one year such licenses or permits, for which the commission may by rule provide, to any person to work for any operator of any gambling activity authorized by this chapter in connection with that activity, or any manufacturer, supplier, or distributor of devices for those activities in connection with such business. The commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission. The commission shall not require that persons working solely as volunteers in an authorized activity conducted by a bona fide charitable or bona fide nonprofit organization, who receive no compensation of any kind for any purpose from that organization, and who have no managerial or supervisory responsibility in connection with that activity, be licensed to do such work. The commission may require that licensees employing such unlicensed volunteers submit to the commission periodically a list of the names, addresses, and dates of birth of the volunteers. If any volunteer is not approved by the commission, the commission may require that the licensee not allow that person to work in connection with the licensed activity;

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

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

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

(21) To authorize, require, and issue, for a period not to exceed one year, such licenses as the commission may by rule provide, to any person, association, or organization that engages in any sports wagering-related services for use within this state for sports wagering activities authorized by this chapter. The commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission;

(22) To issue licenses under subsections (1) through (4) of this section that are valid for a period of up to eighteen months, if it chooses to do so, in order to transition to the use of the business licensing services program through the department of revenue; and

((~~(22)~~)) (23) To perform all other matters and things necessary to carry out the purposes and provisions of this chapter.

**Sec.**  RCW 9.46.130 and 2011 c 336 s 303 are each amended to read as follows:

(1) The premises and paraphernalia, and all the books and records, databases, hardware, software, or any other electronic data storage device of any person, association, or organization conducting gambling activities authorized under this chapter and any person, association, or organization receiving profits therefrom or having any interest therein shall be subject to inspection and audit at any reasonable time, with or without notice, upon demand, by the commission or its designee, the attorney general or his or her designee, the chief of the Washington state patrol or his or her designee or the prosecuting attorney, sheriff, or director of public safety or their designees of the county wherein located, or the chief of police or his or her designee of any city or town in which said organization is located, for the purpose of determining compliance or noncompliance with the provisions of this chapter and any rules or regulations or local ordinances adopted pursuant thereto or any federal or state law. A reasonable time for the purpose of this section shall be: ((~~(1)~~)) (a) If the items or records to be inspected or audited are located anywhere upon a premises any portion of which is regularly open to the public or members and guests, then at any time when the premises are so open, or at which they are usually open; or ((~~(2)~~)) (b) if the items or records to be inspected or audited are not located upon a premises set out in ((~~subsection (1)~~)) (a) of this ((~~section~~)) subsection, then any time between the hours of 8:00 a.m. and 9:00 p.m., Monday through Friday.

(2) The commission shall be provided at such reasonable intervals as the commission shall determine with a report, under oath, detailing all receipts and disbursements in connection with such gambling activities together with such other reasonable information as required in order to determine whether such activities comply with the purposes of this chapter or any local ordinances relating thereto.

(3) The commission may require the submission of reports on suspicious activities or irregular betting activities to effectively identify players, wagering information, and suspicious and illegal transactions, including the laundering of illicit funds.

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

(1) No person shall offer, promise, give, or attempt to give any thing of value to any person for the purpose of influencing the outcome of a sporting event, athletic event, or competition upon which a wager may be made.

(2) No person shall place, increase, or decrease a wager after acquiring knowledge, not available to the general public, that anyone has been offered, promised, or given any thing of value for the purpose of influencing the outcome of a sporting event, athletic event, or competition upon which the wager is placed, increased, or decreased.

(3) No person shall offer, promise, give, or attempt to give any thing of value to obtain confidential or insider information not available to the public with intent to use the information to gain a wagering advantage on a sporting event, athletic event, or competition.

(4) No person shall accept or agree to accept, any thing of value for the purpose of wrongfully influencing his or her play, action, decision making, or conduct in any sporting event, athletic event, or competition upon which a wager may be made.

(5) Any person who violates this section shall be guilty of a class C felony subject to the penalty set forth in RCW 9A.20.021.

**Sec.**  RCW 9.46.190 and 1991 c 261 s 7 are each amended to read as follows:

Any person ((~~or~~)), association, or organization operating any gambling activity ((~~who or which~~)) may not, directly or indirectly, ((~~shall~~)) in the course of such operation:

(1) Employ any device, scheme, or artifice to defraud; ((~~or~~))

(2) Make any untrue statement of a material fact, or omit to state a material fact necessary in order to make the statement made not misleading, in the light of the circumstances under which said statement is made; ((~~or~~))

(3) Engage in any act, practice, or course of operation as would operate as a fraud or deceit upon any person;

((~~Shall~~)) (4) Alter or misrepresent the outcome of a game or other event on which wagers have been made after the outcome is made sure but before it is revealed to the players;

(5) Place, increase, or decrease a bet or to determine the course of play after acquiring knowledge, not available to all players, of the outcome of the game or any event that affects the outcome of the game or which is the subject of the bet or to aid anyone in acquiring such knowledge for the purpose of placing, increasing, or decreasing a bet or determining the course of play contingent upon that event or outcome;

(6) Knowingly entice or induce another person to go to any place where a gambling activity is being conducted or operated in violation of the provisions of this chapter, with the intent that the other person play or participate in that gambling activity;

(7) Place or increase a bet after acquiring knowledge of the outcome of the game or other event that is the subject of the bet, including past posting and pressing bets; or

(8) Reduce the amount wagered or cancel the bet after acquiring knowledge of the outcome of the game or other event that is the subject of the bet, including pinching bets. Any person, association, or organization that violates this section shall be guilty of a ((~~gross misdemeanor~~)) class C felony subject to the penalty set forth in RCW 9A.20.021.

**Sec.**  RCW 9.46.210 and 2000 c 46 s 1 are each amended to read as follows:

(1) It shall be the duty of all peace officers, law enforcement officers, and law enforcement agencies within this state to investigate, enforce, and prosecute all violations of this chapter.

(2) In addition to the authority granted by subsection (1) of this section law enforcement agencies of cities and counties shall investigate and report to the commission all violations of the provisions of this chapter and of the rules of the commission found by them and shall assist the commission in any of its investigations and proceedings respecting any such violations. Such law enforcement agencies shall not be deemed agents of the commission.

(3) In addition to its other powers and duties, the commission shall have the power to enforce the penal provisions of this chapter ((~~218, Laws of 1973 1st ex. sess.~~)) and as it may be amended, and the penal laws of this state relating to the conduct of or participation in gambling activities, including chapter 9A.83 RCW, and the manufacturing, importation, transportation, distribution, possession, and sale of equipment or paraphernalia used or for use in connection therewith. The director, the deputy director, both assistant directors, and each of the commission's investigators, enforcement officers, and inspectors shall have the power, under the supervision of the commission, to enforce the penal provisions of this chapter ((~~218, Laws of 1973 1st ex. sess.~~)) and as it may be amended, and the penal laws of this state relating to the conduct of or participation in gambling activities, including chapter 9A.83 RCW, and the manufacturing, importation, transportation, distribution, possession, and sale of equipment or paraphernalia used or for use in connection therewith. They shall have the power and authority to apply for and execute all warrants and serve process of law issued by the courts in enforcing the penal provisions of this chapter ((~~218, Laws of 1973 1st ex. sess.~~)) and as it may be amended, and the penal laws of this state relating to the conduct of or participation in gambling activities and the manufacturing, importation, transportation, distribution, possession, and sale of equipment or paraphernalia used or for use in connection therewith. They shall have the power to arrest without a warrant, any person or persons found in the act of violating any of the penal provisions of this chapter ((~~218, Laws of 1973 1st ex. sess.~~)) and as it may be amended, and the penal laws of this state relating to the conduct of or participation in gambling activities and the manufacturing, importation, transportation, distribution, possession, and sale of equipment or paraphernalia used or for use in connection therewith. To the extent set forth above, the commission shall be a law enforcement agency of this state with the power to investigate for violations of and to enforce the provisions of this chapter, as now law or hereafter amended, and to obtain information from and provide information to all other law enforcement agencies.

(4) Criminal history record information that includes nonconviction data, as defined in RCW 10.97.030, may be disseminated by a criminal justice agency to the Washington state gambling commission for any purpose associated with the investigation for suitability for involvement in gambling activities authorized under this chapter. The Washington state gambling commission shall only disseminate nonconviction data obtained under this section to criminal justice agencies.

(5) In addition to its other powers and duties, the commission may ensure sport integrity and prevent and detect competition manipulation through education and enforcement of the penal provisions of this chapter or chapter 67.04 or 67.24 RCW, or any other state penal laws related to the integrity of sporting events, athletic events, or competitions within the state.

(6) In addition to its other powers and duties, the commission may track and monitor gambling-related transactions occurring within the state to aid in its enforcement of the penal provisions of this chapter or chapter 9A.83 RCW, or any other state penal laws related to suspicious or illegal wagering activities, including the use of funds derived from illegal activity, wagers to conceal or launder funds derived from illegal activity, use of agents to place wagers, or use of false identification by a player.

**Sec.**  RCW 9.46.220 and 1997 c 78 s 2 are each amended to read as follows:

(1) A person is guilty of professional gambling in the first degree if he or she engages in, or knowingly causes, aids, abets, or conspires with another to engage in professional gambling as defined in this chapter, and:

(a) Acts in concert with or conspires with five or more people; ((~~or~~))

(b) Personally accepts wagers exceeding five thousand dollars during any thirty-day period on future contingent events; ((~~or~~))

(c) The operation for whom the person works, or with which the person is involved, accepts wagers exceeding five thousand dollars during any thirty-day period on future contingent events; ((~~or~~))

(d) Operates, manages, or profits from the operation of a premises or location where persons are charged a fee to participate in card games, lotteries, or other gambling activities that are not authorized by this chapter or licensed by the commission; or

(e) Engages in bookmaking as defined in RCW 9.46.0213.

(2) However, this section shall not apply to those activities enumerated in RCW 9.46.0305 through 9.46.0361 or to any act or acts in furtherance of such activities when conducted in compliance with the provisions of this chapter and in accordance with the rules adopted pursuant to this chapter.

(3) Professional gambling in the first degree is a class B felony subject to the penalty set forth in RCW 9A.20.021.

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

The transmission of gambling information over the internet for any sports wagering conducted and operated under this section and section 2 of this act is authorized, provided that the wager may be placed and accepted at a tribe's gaming facility or a card room only while the customer placing the wager is physically present on the premises of that tribe's gaming facility or a card room.

**Sec.**  RCW 9.46.240 and 2006 c 290 s 2 are each amended to read as follows:

(1) Whoever knowingly transmits or receives gambling information by telephone, telegraph, radio, semaphore, the internet, a telecommunications transmission system, or similar means, or knowingly installs or maintains equipment for the transmission or receipt of gambling information shall be guilty of a class C felony subject to the penalty set forth in RCW 9A.20.021. ((~~However, this~~))

(2) This section shall not apply to such information transmitted or received or equipment or devices installed or maintained relating to activities authorized by this chapter including, but not limited to, sports wagering authorized under sections 2 and 12 of this act, or to any act or acts in furtherance thereof when conducted in compliance with the provisions of this chapter and in accordance with the rules adopted under this chapter and conducted in accordance with tribal-state compacts.

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

(1) For purposes of this chapter:

(a) "Card room" means a business licensed to conduct social card games pursuant to RCW 9.46.0325.

(b) "Online sports pool" means a sports wagering operation in which wagers on sports events are made through computers or mobile or interactive devices and accepted at a sports wagering lounge through an online gaming system that is operating pursuant to a sports wagering license issued by the commission.

(c) "Sports pool" means the business of accepting wagers on any sports event by any system or method of wagering, including, but not limited to, single-game bets, teaser bets, parlays, over/under, money line, pools, exchange wagering, in-game wagering, in-play bets, proposition bets, or straight bets.

(d)(i) "Sports wagering" means the business of accepting wagers on any of the following sporting events, athletic events, or competitions by any system or method of wagering:

(A) A professional sport or athletic event;

(B) A collegiate sport or athletic event;

(C) An Olympic or international sports competition or event;

(D) An electronic sports or esports competition or event;

(E) A combination of sporting events, athletic events, or competitions listed in (d)(i)(A) through (D) of this subsection (1); or

(F) A portion of any sporting event, athletic event, or competition listed in (d)(i)(A) through (D) of this subsection (1).

(ii) Sports wagering does not include the business of accepting wagers on horse racing authorized pursuant to chapter 67.16 RCW.

(2) For purposes of this section:

(a) "Collegiate sport or athletic event" means a sport or athletic event offered or sponsored by, or played in connection with, a public or private institution that offers education services beyond the secondary level, other than such an institution that is located within the state of Washington.

(b) "Electronic or esports event" means a live event or tournament attended or watched by members of the public where games or matches are contested in real time by players and teams and players or teams can win a prize based on their performance in the live event or tournament.

(c) "Professional sport or athletic event" means an event that is not a collegiate sport or athletic event at which two or more persons participate in sports or athletic events and receive compensation in excess of actual expenses for their participation in the event.

**Sec.**  RCW 9.46.090 and 1987 c 505 s 3 are each amended to read as follows:

Subject to RCW 40.07.040, the commission shall, from time to time, make reports to the governor and the legislature covering such matters in connection with this chapter as the governor and the legislature may require. These reports shall be public documents and contain such general information and remarks as the commission deems pertinent thereto and any information requested by either the governor or members of the legislature: PROVIDED, That the commission appointed pursuant to RCW 9.46.040 may conduct a thorough study of the types of gambling activity permitted and the types of gambling activity prohibited by this chapter and may make recommendations to the legislature as to: (1) Gambling activity that ought to be permitted; (2) gambling activity that ought to be prohibited; (3) the types of licenses and permits that ought to be required; (4) the type and amount of tax that ought to be applied to each type of permitted gambling activity; (5) any changes which may be made to the law of this state which further the purposes and policies set forth in RCW 9.46.010 as now law or hereafter amended; and (6) any other matter that the commission may deem appropriate. However, no later than December 1st of the year following any authorization by the legislature of a new gambling activity, any report by the commission to the governor and the appropriate committees of the legislature must include information on the state of the gambling industry both within the state and nationwide. Members of the commission and its staff may contact the legislature, or any of its members, at any time, to advise it of recommendations of the commission.

**Sec.**  RCW 9.94A.515 and 2019 c 271 s 7, 2019 c 243 s 5, 2019 c 64 s 3, and 2019 c 46 s 5009 are each reenacted and amended to read as follows:

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| --- | --- | --- |
|  | TABLE 2 |  |
|  | CRIMES INCLUDED WITHIN EACH SERIOUSNESS LEVEL |  |
| XVI | Aggravated Murder 1 (RCW 10.95.020) |  |
| XV | Homicide by abuse (RCW 9A.32.055) |  |
|  | Malicious explosion 1 (RCW 70.74.280(1)) |  |
|  | Murder 1 (RCW 9A.32.030) |  |
| XIV | Murder 2 (RCW 9A.32.050) |  |
|  | Trafficking 1 (RCW 9A.40.100(1)) |  |
| XIII | Malicious explosion 2 (RCW 70.74.280(2)) |  |
|  | Malicious placement of an explosive 1 (RCW 70.74.270(1)) |  |
| XII | Assault 1 (RCW 9A.36.011) |  |
|  | Assault of a Child 1 (RCW 9A.36.120) |  |
|  | Malicious placement of an imitation device 1 (RCW 70.74.272(1)(a)) |  |
|  | Promoting Commercial Sexual Abuse of a Minor (RCW 9.68A.101) |  |
|  | Rape 1 (RCW 9A.44.040) |  |
|  | Rape of a Child 1 (RCW 9A.44.073) |  |
|  | Trafficking 2 (RCW 9A.40.100(3)) |  |
| XI | Manslaughter 1 (RCW 9A.32.060) |  |
|  | Rape 2 (RCW 9A.44.050) |  |
|  | Rape of a Child 2 (RCW 9A.44.076) |  |
|  | Vehicular Homicide, by being under the influence of intoxicating liquor or any drug (RCW 46.61.520) |  |
|  | Vehicular Homicide, by the operation of any vehicle in a reckless manner (RCW 46.61.520) |  |
| X | Child Molestation 1 (RCW 9A.44.083) |  |
|  | Criminal Mistreatment 1 (RCW 9A.42.020) |  |
|  | Indecent Liberties (with forcible compulsion) (RCW 9A.44.100(1)(a)) |  |
|  | Kidnapping 1 (RCW 9A.40.020) |  |
|  | Leading Organized Crime (RCW 9A.82.060(1)(a)) |  |
|  | Malicious explosion 3 (RCW 70.74.280(3)) |  |
|  | Sexually Violent Predator Escape (RCW 9A.76.115) |  |
| IX | Abandonment of Dependent Person 1 (RCW 9A.42.060) |  |
|  | Assault of a Child 2 (RCW 9A.36.130) |  |
|  | Explosive devices prohibited (RCW 70.74.180) |  |
|  | Hit and Run—Death (RCW 46.52.020(4)(a)) |  |
|  | Homicide by Watercraft, by being under the influence of intoxicating liquor or any drug (RCW 79A.60.050) |  |
|  | Inciting Criminal Profiteering (RCW 9A.82.060(1)(b)) |  |
|  | Malicious placement of an explosive 2 (RCW 70.74.270(2)) |  |
|  | Robbery 1 (RCW 9A.56.200) |  |
|  | Sexual Exploitation (RCW 9.68A.040) |  |
| VIII | Arson 1 (RCW 9A.48.020) |  |
|  | Commercial Sexual Abuse of a Minor (RCW 9.68A.100) |  |
|  | Homicide by Watercraft, by the operation of any vessel in a reckless manner (RCW 79A.60.050) |  |
|  | Manslaughter 2 (RCW 9A.32.070) |  |
|  | Promoting Prostitution 1 (RCW 9A.88.070) |  |
|  | Theft of Ammonia (RCW 69.55.010) |  |
| VII | Air bag diagnostic systems (causing bodily injury or death) (RCW 46.37.660(2)(b)) |  |
|  | Air bag replacement requirements (causing bodily injury or death) (RCW 46.37.660(1)(b)) |  |
|  | Burglary 1 (RCW 9A.52.020) |  |
|  | Child Molestation 2 (RCW 9A.44.086) |  |
|  | Civil Disorder Training (RCW 9A.48.120) |  |
|  | Dealing in depictions of minor engaged in sexually explicit conduct 1 (RCW 9.68A.050(1)) |  |
|  | Drive-by Shooting (RCW 9A.36.045) |  |
|  | Homicide by Watercraft, by disregard for the safety of others (RCW 79A.60.050) |  |
|  | Indecent Liberties (without forcible compulsion) (RCW 9A.44.100(1) (b) and (c)) |  |
|  | Introducing Contraband 1 (RCW 9A.76.140) |  |
|  | Malicious placement of an explosive 3 (RCW 70.74.270(3)) |  |
|  | Manufacture or import counterfeit, nonfunctional, damaged, or previously deployed air bag (causing bodily injury or death) (RCW 46.37.650(1)(b)) |  |
|  | Negligently Causing Death By Use of a Signal Preemption Device (RCW 46.37.675) |  |
|  | Sell, install, or reinstall counterfeit, nonfunctional, damaged, or previously deployed airbag (RCW 46.37.650(2)(b)) |  |
|  | Sending, bringing into state depictions of minor engaged in sexually explicit conduct 1 (RCW 9.68A.060(1)) |  |
|  | Unlawful Possession of a Firearm in the first degree (RCW 9.41.040(1)) |  |
|  | Use of a Machine Gun or Bump-fire Stock in Commission of a Felony (RCW 9.41.225) |  |
|  | Vehicular Homicide, by disregard for the safety of others (RCW 46.61.520) |  |
| VI | Bail Jumping with Murder 1 (RCW 9A.76.170(3)(a)) |  |
|  | Bribery (RCW 9A.68.010) |  |
|  | Incest 1 (RCW 9A.64.020(1)) |  |
|  | Intimidating a Judge (RCW 9A.72.160) |  |
|  | Intimidating a Juror/Witness (RCW 9A.72.110, 9A.72.130) |  |
|  | Malicious placement of an imitation device 2 (RCW 70.74.272(1)(b)) |  |
|  | Possession of Depictions of a Minor Engaged in Sexually Explicit Conduct 1 (RCW 9.68A.070(1)) |  |
|  | Rape of a Child 3 (RCW 9A.44.079) |  |
|  | Theft of a Firearm (RCW 9A.56.300) |  |
|  | Theft from a Vulnerable Adult 1 (RCW 9A.56.400(1)) |  |
|  | Unlawful Storage of Ammonia (RCW 69.55.020) |  |
| V | Abandonment of Dependent Person 2 (RCW 9A.42.070) |  |
|  | Advancing money or property for extortionate extension of credit (RCW 9A.82.030) |  |
|  | Air bag diagnostic systems (RCW 46.37.660(2)(c)) |  |
|  | Air bag replacement requirements (RCW 46.37.660(1)(c)) |  |
|  | Bail Jumping with class A Felony (RCW 9A.76.170(3)(b)) |  |
|  | Child Molestation 3 (RCW 9A.44.089) |  |
|  | Criminal Mistreatment 2 (RCW 9A.42.030) |  |
|  | Custodial Sexual Misconduct 1 (RCW 9A.44.160) |  |
|  | Dealing in Depictions of Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.050(2)) |  |
|  | Domestic Violence Court Order Violation (RCW 10.99.040, 10.99.050, 26.09.300, 26.10.220, 26.26B.050, 26.50.110, 26.52.070, or 74.34.145) |  |
|  | Extortion 1 (RCW 9A.56.120) |  |
|  | Extortionate Extension of Credit (RCW 9A.82.020) |  |
|  | Extortionate Means to Collect Extensions of Credit (RCW 9A.82.040) |  |
|  | Incest 2 (RCW 9A.64.020(2)) |  |
|  | Kidnapping 2 (RCW 9A.40.030) |  |
|  | Manufacture or import counterfeit, nonfunctional, damaged, or previously deployed air bag (RCW 46.37.650(1)(c)) |  |
|  | Perjury 1 (RCW 9A.72.020) |  |
|  | Persistent prison misbehavior (RCW 9.94.070) |  |
|  | Possession of a Stolen Firearm (RCW 9A.56.310) |  |
|  | Rape 3 (RCW 9A.44.060) |  |
|  | Rendering Criminal Assistance 1 (RCW 9A.76.070) |  |
|  | Sell, install, or reinstall counterfeit, nonfunctional, damaged, or previously deployed airbag (RCW 46.37.650(2)(c)) |  |
|  | Sending, Bringing into State Depictions of Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.060(2)) |  |
|  | Sexual Misconduct with a Minor 1 (RCW 9A.44.093) |  |
|  | Sexually Violating Human Remains (RCW 9A.44.105) |  |
|  | Stalking (RCW 9A.46.110) |  |
|  | Taking Motor Vehicle Without Permission 1 (RCW 9A.56.070) |  |
| IV | Arson 2 (RCW 9A.48.030) |  |
|  | Assault 2 (RCW 9A.36.021) |  |
|  | Assault 3 (of a Peace Officer with a Projectile Stun Gun) (RCW 9A.36.031(1)(h)) |  |
|  | Assault 4 (third domestic violence offense) (RCW 9A.36.041(3)) |  |
|  | Assault by Watercraft (RCW 79A.60.060) |  |
|  | Bribing a Witness/Bribe Received by Witness (RCW 9A.72.090, 9A.72.100) |  |
|  | Cheating 1 (RCW 9.46.1961) |  |
|  | Commercial Bribery (RCW 9A.68.060) |  |
|  | Counterfeiting (RCW 9.16.035(4)) |  |
|  | Driving While Under the Influence (RCW 46.61.502(6)) |  |
|  | Endangerment with a Controlled Substance (RCW 9A.42.100) |  |
|  | Escape 1 (RCW 9A.76.110) |  |
|  | Hate Crime (RCW 9A.36.080) |  |
|  | Hit and Run—Injury (RCW 46.52.020(4)(b)) |  |
|  | Hit and Run with Vessel—Injury Accident (RCW 79A.60.200(3)) |  |
|  | Identity Theft 1 (RCW 9.35.020(2)) |  |
|  | Indecent Exposure to Person Under Age Fourteen (subsequent sex offense) (RCW 9A.88.010) |  |
|  | Influencing Outcome of Sporting Event (RCW 9A.82.070) |  |
|  | Physical Control of a Vehicle While Under the Influence (RCW 46.61.504(6)) |  |
|  | Possession of Depictions of a Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.070(2)) |  |
|  | Residential Burglary (RCW 9A.52.025) |  |
|  | Robbery 2 (RCW 9A.56.210) |  |
|  | Sports Wagering without a License (section 3 of this act) |  |
|  | Theft of Livestock 1 (RCW 9A.56.080) |  |
|  | Threats to Bomb (RCW 9.61.160) |  |
|  | Trafficking in Stolen Property 1 (RCW 9A.82.050) |  |
|  | Unlawful factoring of a credit card or payment card transaction (RCW 9A.56.290(4)(b)) |  |
|  | Unlawful transaction of health coverage as a health care service contractor (RCW 48.44.016(3)) |  |
|  | Unlawful transaction of health coverage as a health maintenance organization (RCW 48.46.033(3)) |  |
|  | Unlawful transaction of insurance business (RCW 48.15.023(3)) |  |
|  | Unlicensed practice as an insurance professional (RCW 48.17.063(2)) |  |
|  | Use of Proceeds of Criminal Profiteering (RCW 9A.82.080 (1) and (2)) |  |
|  | Vehicle Prowling 2 (third or subsequent offense) (RCW 9A.52.100(3)) |  |
|  | Vehicular Assault, by being under the influence of intoxicating liquor or any drug, or by the operation or driving of a vehicle in a reckless manner (RCW 46.61.522) |  |
|  | Viewing of Depictions of a Minor Engaged in Sexually Explicit Conduct 1 (RCW 9.68A.075(1)) |  |
|  | Willful Failure to Return from Furlough (RCW 72.66.060) |  |
| III | Animal Cruelty 1 (Sexual Conduct or Contact) (RCW 16.52.205(3)) |  |
|  | Assault 3 (Except Assault 3 of a Peace Officer With a Projectile Stun Gun) (RCW 9A.36.031 except subsection (1)(h)) |  |
|  | Assault of a Child 3 (RCW 9A.36.140) |  |
|  | Bail Jumping with class B or C Felony (RCW 9A.76.170(3)(c)) |  |
|  | Burglary 2 (RCW 9A.52.030) |  |
|  | Communication with a Minor for Immoral Purposes (RCW 9.68A.090) |  |
|  | Criminal Gang Intimidation (RCW 9A.46.120) |  |
|  | Custodial Assault (RCW 9A.36.100) |  |
|  | Cyberstalking (subsequent conviction or threat of death) (RCW 9.61.260(3)) |  |
|  | Escape 2 (RCW 9A.76.120) |  |
|  | Extortion 2 (RCW 9A.56.130) |  |
|  | Harassment (RCW 9A.46.020) |  |
|  | Intimidating a Public Servant (RCW 9A.76.180) |  |
|  | Introducing Contraband 2 (RCW 9A.76.150) |  |
|  | Malicious Injury to Railroad Property (RCW 81.60.070) |  |
|  | Manufacture of Untraceable Firearm with Intent to Sell (RCW 9.41.190) |  |
|  | Manufacture or Assembly of an Undetectable Firearm or Untraceable Firearm (RCW 9.41.325) |  |
|  | Mortgage Fraud (RCW 19.144.080) |  |
|  | Negligently Causing Substantial Bodily Harm By Use of a Signal Preemption Device (RCW 46.37.674) |  |
|  | Organized Retail Theft 1 (RCW 9A.56.350(2)) |  |
|  | Perjury 2 (RCW 9A.72.030) |  |
|  | Possession of Incendiary Device (RCW 9.40.120) |  |
|  | Possession of Machine Gun, Bump-Fire Stock, Undetectable Firearm, or Short-Barreled Shotgun or Rifle (RCW 9.41.190) |  |
|  | Promoting Prostitution 2 (RCW 9A.88.080) |  |
|  | Retail Theft with Special Circumstances 1 (RCW 9A.56.360(2)) |  |
|  | Securities Act violation (RCW 21.20.400) |  |
|  | Tampering with a Witness (RCW 9A.72.120) |  |
|  | Telephone Harassment (subsequent conviction or threat of death) (RCW 9.61.230(2)) |  |
|  | Theft of Livestock 2 (RCW 9A.56.083) |  |
|  | Theft with the Intent to Resell 1 (RCW 9A.56.340(2)) |  |
|  | Trafficking in Stolen Property 2 (RCW 9A.82.055) |  |
|  | Unlawful Hunting of Big Game 1 (RCW 77.15.410(3)(b)) |  |
|  | Unlawful Imprisonment (RCW 9A.40.040) |  |
|  | Unlawful Misbranding of Fish or Shellfish 1 (RCW 77.140.060(3)) |  |
|  | Unlawful possession of firearm in the second degree (RCW 9.41.040(2)) |  |
|  | Unlawful Taking of Endangered Fish or Wildlife 1 (RCW 77.15.120(3)(b)) |  |
|  | Unlawful Trafficking in Fish, Shellfish, or Wildlife 1 (RCW 77.15.260(3)(b)) |  |
|  | Unlawful Use of a Nondesignated Vessel (RCW 77.15.530(4)) |  |
|  | Vehicular Assault, by the operation or driving of a vehicle with disregard for the safety of others (RCW 46.61.522) |  |
|  | Willful Failure to Return from Work Release (RCW 72.65.070) |  |
| II | Commercial Fishing Without a License 1 (RCW 77.15.500(3)(b)) |  |
|  | Computer Trespass 1 (RCW 9A.90.040) |  |
|  | Counterfeiting (RCW 9.16.035(3)) |  |
|  | Electronic Data Service Interference (RCW 9A.90.060) |  |
|  | Electronic Data Tampering 1 (RCW 9A.90.080) |  |
|  | Electronic Data Theft (RCW 9A.90.100) |  |
|  | Engaging in Fish Dealing Activity Unlicensed 1 (RCW 77.15.620(3)) |  |
|  | Escape from Community Custody (RCW 72.09.310) |  |
|  | Failure to Register as a Sex Offender (second or subsequent offense) (RCW 9A.44.130 prior to June 10, 2010, and RCW 9A.44.132) |  |
|  | Health Care False Claims (RCW 48.80.030) |  |
|  | Identity Theft 2 (RCW 9.35.020(3)) |  |
|  | Improperly Obtaining Financial Information (RCW 9.35.010) |  |
|  | Malicious Mischief 1 (RCW 9A.48.070) |  |
|  | Organized Retail Theft 2 (RCW 9A.56.350(3)) |  |
|  | Possession of Stolen Property 1 (RCW 9A.56.150) |  |
|  | Possession of a Stolen Vehicle (RCW 9A.56.068) |  |
|  | Retail Theft with Special Circumstances 2 (RCW 9A.56.360(3)) |  |
|  | Scrap Processing, Recycling, or Supplying Without a License (second or subsequent offense) (RCW 19.290.100) |  |
|  | Theft 1 (RCW 9A.56.030) |  |
|  | Theft of a Motor Vehicle (RCW 9A.56.065) |  |
|  | Theft of Rental, Leased, Lease-purchased, or Loaned Property (valued at five thousand dollars or more) (RCW 9A.56.096(5)(a)) |  |
|  | Theft with the Intent to Resell 2 (RCW 9A.56.340(3)) |  |
|  | Trafficking in Insurance Claims (RCW 48.30A.015) |  |
|  | Unlawful factoring of a credit card or payment card transaction (RCW 9A.56.290(4)(a)) |  |
|  | Unlawful Participation of Non-Indians in Indian Fishery (RCW 77.15.570(2)) |  |
|  | Unlawful Practice of Law (RCW 2.48.180) |  |
|  | Unlawful Purchase or Use of a License (RCW 77.15.650(3)(b)) |  |
|  | Unlawful Trafficking in Fish, Shellfish, or Wildlife 2 (RCW 77.15.260(3)(a)) |  |
|  | Unlicensed Practice of a Profession or Business (RCW 18.130.190(7)) |  |
|  | Voyeurism 1 (RCW 9A.44.115) |  |
| I | Attempting to Elude a Pursuing Police Vehicle (RCW 46.61.024) |  |
|  | False Verification for Welfare (RCW 74.08.055) |  |
|  | Forgery (RCW 9A.60.020) |  |
|  | Fraudulent Creation or Revocation of a Mental Health Advance Directive (RCW 9A.60.060) |  |
|  | Malicious Mischief 2 (RCW 9A.48.080) |  |
|  | Mineral Trespass (RCW 78.44.330) |  |
|  | Possession of Stolen Property 2 (RCW 9A.56.160) |  |
|  | Reckless Burning 1 (RCW 9A.48.040) |  |
|  | Spotlighting Big Game 1 (RCW 77.15.450(3)(b)) |  |
|  | Suspension of Department Privileges 1 (RCW 77.15.670(3)(b)) |  |
|  | Taking Motor Vehicle Without Permission 2 (RCW 9A.56.075) |  |
|  | Theft 2 (RCW 9A.56.040) |  |
|  | Theft from a Vulnerable Adult 2 (RCW 9A.56.400(2)) |  |
|  | Theft of Rental, Leased, Lease-purchased, or Loaned Property (valued at seven hundred fifty dollars or more but less than five thousand dollars) (RCW 9A.56.096(5)(b)) |  |
|  | Transaction of insurance business beyond the scope of licensure (RCW 48.17.063) |  |
|  | Unlawful Fish and Shellfish Catch Accounting (RCW 77.15.630(3)(b)) |  |
|  | Unlawful Issuance of Checks or Drafts (RCW 9A.56.060) |  |
|  | Unlawful Possession of Fictitious Identification (RCW 9A.56.320) |  |
|  | Unlawful Possession of Instruments of Financial Fraud (RCW 9A.56.320) |  |
|  | Unlawful Possession of Payment Instruments (RCW 9A.56.320) |  |
|  | Unlawful Possession of a Personal Identification Device (RCW 9A.56.320) |  |
|  | Unlawful Production of Payment Instruments (RCW 9A.56.320) |  |
|  | Unlawful Releasing, Planting, Possessing, or Placing Deleterious Exotic Wildlife (RCW 77.15.250(2)(b)) |  |
|  | Unlawful Trafficking in Food Stamps (RCW 9.91.142) |  |
|  | Unlawful Use of Food Stamps (RCW 9.91.144) |  |
|  | Unlawful Use of Net to Take Fish 1 (RCW 77.15.580(3)(b)) |  |
|  | Unlawful Use of Prohibited Aquatic Animal Species (RCW 77.15.253(3)) |  |
|  | Vehicle Prowl 1 (RCW 9A.52.095) |  |
|  | Violating Commercial Fishing Area or Time 1 (RCW 77.15.550(3)(b)) |  |

**Sec.**  RCW 9.46.0335 and 1987 c 4 s 31 are each amended to read as follows:

(1) The legislature ((~~hereby~~)) authorizes any person, association, or organization to ((~~conduct sports pools without a license to do so from the commission but only when the outcome of which is dependent upon the score, or scores, of a certain athletic contest and which is conducted only~~)) conduct sports boards in the following manner:

((~~(1) A board or piece of paper is divided into one hundred equal squares, each of which constitutes a chance to win in the sports pool and each of which is offered directly to prospective contestants at one dollar or less;~~

~~(2)~~)) (a) The purchaser of each chance or square signs his or her name on the face of each square or chance he or she purchases; ((~~and~~

~~(3)~~)) (b) At some time not later than prior to the start of the subject athletic contest, the ((~~pool~~)) sports board is closed and no further chances in the ((~~pool~~)) sports board are sold;

((~~(4)~~)) (c) After the ((~~pool~~)) sports board is closed, a prospective score is assigned by random drawing to each square;

((~~(5)~~)) (d) All money paid by entrants to enter the ((~~pool~~)) sports board less taxes is paid out as the prize or prizes to those persons holding squares assigned the winning score or scores from the subject athletic contest;

((~~(6)~~)) (e) The sports ((~~pool~~)) board is available for inspection by any person purchasing a chance thereon, the commission, or by any law enforcement agency upon demand at all times prior to the payment of the prize;

((~~(7)~~)) (f) The person or organization conducting the ((~~pool~~)) sports board is conducting no ((~~other~~)) more than two sports ((~~pool~~)) boards on the same athletic event; and

((~~(8) The sports pool conforms~~)) (g) Sports boards must conform to any rules and regulations of the commission ((~~applicable thereto~~)), including maximum wager limits set by the commission.

(2) For purposes of this section, "sports board" means a board or piece of paper that is divided into one hundred equal squares, each of which constitutes a chance to win in the sports pool and each of which is offered directly to prospective contestants.

NEW SECTION. **Sec.**  A new section is added to chapter 82.04 RCW to read as follows:

(1) There is levied and collected from every card room conducting sports wagering in this state, a tax in the amount of ten percent of the gaming revenue.

(2) Card rooms conducting sports wagering subject to the tax imposed by this section must report to the department the amount of gaming revenue earned by location. The tax imposed by this section must be paid to, and administered by, the department. The administration of the tax is governed by the provisions of chapter 82.32 RCW.

(3) For purposes of this section:

(a) "Card room" has the same meaning as in section 14 of this act.

(b) "Gaming revenue" means the total amount wagered less winnings paid out.

(c) "Sports wagering" has the same meaning as in section 14 of this act.

NEW SECTION. **Sec.**  The sum of six million dollars is appropriated from the general fund—state for the fiscal year ending June 30, 2020, and is provided solely for expenditure into the gambling revolving fund created in RCW 9.46.100. The gambling commission may expend from the gambling revolving account from moneys attributable to the appropriation in this section solely for enforcement actions in the illicit market for sports wagering. The appropriation in this section constitutes a loan from the general fund to the gambling revolving fund that must be repaid with net interest by June 30, 2021.

NEW SECTION. **Sec.**  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."

**ESHB 2638** - S AMD **1313**

By Senator Rivers

**OUT OF ORDER 03/05/2020**

On page 1, line 2 of the title, after "compacts" strike the remainder of the title and insert "and by licensed card rooms; amending RCW 9.46.070, 9.46.130, 9.46.190, 9.46.210, 9.46.220, 9.46.240, 9.46.090, and 9.46.0335; reenacting and amending RCW 9.94A.515; adding new sections to chapter 9.46 RCW; adding a new section to chapter 82.04 RCW; creating a new section; prescribing penalties; and making an appropriation."

EFFECT: Modifies the legislative intent. Authorizes card rooms licensed as of January 1, 2020, to conduct sport wagering through sports pools and online sport pools at the card room facility effective January 1, 2024. Makes offering sports wagering without a license or pursuant to a compact a class B felony and provides fines. Prohibits certain persons and entities from making wagers, being employed by, or owning certain entities related to sport wagering and provides that violations are a misdemeanor subject to a fine. Prohibits sports wagering operators from accepting wagers from certain person, including those on self-exclusion lists. Requires operators to obtain information on those wagering $10,000 or more. Allows the Commission to make rules to implement the authorization of sports wagering but rules related to card rooms may not be more restrictive than provisions in compacts authorizing sports wagering. Provides definitions for card rooms, sports pools, and online sports pools. Adds sports wagering without a license to the table of crimes. Changes current "sports pools" in statute to "sports boards." Provides a 10 percent tax on card rooms' gaming revenue, which is the amount wagered less winnings paid out. Removes the emergency clause, which made the act effective immediately.