

# Chapter 230-15 WAC

## CARD GAME RULES

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230-15-189	House-banked and Class F card game licensee pilot program on wagering limits for Texas Hold'em poker. [Statutory Authority: RCW 9.46.070, 9.46.0282. 10-19-

048 (Order 672), § 230-15-189, filed 9/13/10, effective 10/15/10.] Repealed by 12-21-048 (Order 680), filed 10/12/12, effective 1/1/13. Statutory Authority: RCW 9.46.070 and 9.46.0282.

## OPERATING CARD GAMES

**WAC 230-15-001 "Public card room" defined.** "Public card room" means that area of the business being commercially stimulated set aside for the playing of card games.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-001, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-005 Requirements for public card games.** At any time public card game licensees are conducting card games, they must:

- (1) Have the food and/or drink business being commercially stimulated open to the public; and
- (2) For Class E, Class F, or house-banked card games, have a licensed card room employee on duty and in the public card room area.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-005, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-010 "Social card games" defined.** For the purposes of this chapter, "social card games" means those card games authorized by RCW 9.46.0282. "Card games" and "social card games" mean the same thing in this chapter.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-010, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-015 "Charitable and nonprofit social card room" and "guest" defined.** "Charitable or nonprofit social card room" means the area of a charitable or nonprofit organization's premises set aside for the playing of social card games by full and regular members and their guests.

"Guests" means persons who are not members of a bona fide charitable or nonprofit organization, but who are allowed to use the facilities of the organization to play card games when accompanied by a regular member of the organization sponsoring the guest. Charitable and nonprofit organizations must not charge guests a fee to play that exceeds the maximum fee set by the commission.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-015, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-020 Approving area of premises for card games.** Card game licensees must only operate card games in the specific area of the premises we approve.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-020, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-025 Hours of play.** (1) Licensees must not allow the use of their premises for card playing between the hours of 2:00 a.m. and 6:00 a.m. unless we approve different hours.

(2) Licensees may request, in writing, different hours of operation. Once the request is received, we will consult with the local law enforcement agency having jurisdiction over the licensee's business and with other state agencies involved in

regulation of the business. We may allow licensees to adjust closing hours, but licensees must:

(a) Open the food and/or drink business being stimulated to the public for business any time licensees are conducting card games; and

(b) Have a licensed card room employee on duty and in the licensed card game area at all times during the hours of operation of a Class E, Class F, or house-banked card games; and

(c) Observe a four-hour period of closure at the end of at least two business days a week before beginning the next period of operation; and

(d) Comply with any other terms and conditions we require.

(3) We may deny the request for extended hours or revoke hours already approved if:

(a) The local law enforcement agency or a state agency objects; or

(b) We determine that the licensee has violated any provisions of chapter 9.46 RCW, any other commission rule, or any of the terms set forth in subsection (1) of this section.

(4) Licensees must submit all objections to revocations of operating hours in writing.

(5) If requested, we allow the licensee an opportunity for a brief adjudicative proceeding (BAP) before denying or revoking the licensee's authorization for extended card game hours. An administrative law judge hears the BAP, under the provisions of Title 230 WAC and chapter 34.05 RCW.

[Statutory Authority: RCW 9.46.070. 08-09-056 (Order 624), § 230-15-025, filed 4/14/08, effective 7/1/08; 07-09-033 (Order 608), § 230-15-025, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-030 Authorized nonhouse-banked card games.** (1) Only the following nonhouse-banked card games are authorized:

- (a) Poker;
- (b) Hearts;
- (c) Pinochle;
- (d) Cribbage;
- (e) Rummy;
- (f) Panguingue (Pan);
- (g) Pitch; and
- (h) Bid Whist.

(2) Card game licensees must operate these games in the manner explained in the most current version of *The New Complete Hoyle, Revised* or *Hoyle's Modern Encyclopedia of Card Games*, or similar authoritative book on card games we have approved. Card game licensees may make immaterial modifications to the games.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-030, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-035 Authorizing new games or changing game rules.** Card game licensees must operate only the card games the director or the director's designee has specifically authorized. The director or the director's designee authorizes each new card game or changes to existing card games on an individual basis. A list of all authorized games and the rules of play are available at all commission offices and on the commission web site.

(1) Card game licensees must submit:

(a) Requests for authorizing new card games in the format we require; and

(b) Changes to an existing card game in writing.

(2) The director or the director's designee will notify the licensee in writing if the request is denied. The notification will include reasons for the denial and provide the licensee all information necessary to file a petition to the commission for rule making.

[Statutory Authority: RCW 9.46.070. 08-21-086 (Order 632), § 230-15-035, filed 10/14/08, effective 1/1/09; 07-21-116 (Order 617), § 230-15-035, filed 10/22/07, effective 1/1/08; 07-09-033 (Order 608), § 230-15-035, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-040 Requirements for authorized card games.** (1) In order for a card game to be authorized, it must be approved by the director or the director's designee and must:

(a) Be played with standard playing cards or with electronic card facsimiles approved by the director or the director's designee; and

(b) Offer no more than four separate games with a single hand of cards. However, no more than three of the games may offer a wager that exceeds five dollars each. We consider bonus features and progressive jackpots separate games. If a player does not have to place a separate wager to participate, we do not consider it a separate game. An example of this is an "envy" or "share the wealth" pay out when another player achieves a specific hand; and

(c) Not allow side bets between players.

(2) Card game licensees may use more than one deck of cards for a specific game. They also may remove cards to comply with rules of a specific game, such as Pinochle or Spanish 21.

(3) Players must:

(a) Compete against all other players on an equal basis for nonhouse-banked games or against the house for house-banked games. All players must compete solely as a player in the card game; and

(b) Receive their own hand of cards and be responsible for decisions regarding such hand, such as whether to fold, discard, draw additional cards, or raise the wager; and

(c) Not place wagers on any other player's or the house's hand or make side wagers with other players, except for:

(i) An insurance wager placed in the game of Blackjack; or

(ii) An "envy" or "share the wealth" wager which allows a player to receive a prize if another player wins a jackpot or odds-based wager; or

(iii) A tip wager made on behalf of a dealer.

(4) Mini-Baccarat is authorized when operated in the manner explained for Baccarat in the most current version of *The New Complete Hoyle, Revised* or *Hoyle's Encyclopedia of Card Games*, or similar authoritative book on card games we have approved. However:

(a) Card game licensees may make immaterial modifications to the game; and

(b) Subsection (3) of this section does not apply; and

(c) The number of players is limited under WAC 230-15-055.

(5) A player's win or loss must be determined during the course of play of a single card game, except for a carryover

pot game. A carryover pot is an optional pot that accumulates as a dealer and participating players contribute to the pot. The winner of the pot is not necessarily determined after one game and the pot can be carried over to more than one game. Carryover pots must not carryover more than ten games. Participants must include at least one player and the dealer competing for the highest qualifying winning hand. Game rules must state how the pot is distributed. If the carryover pot has not been won by the tenth game, the dealer will divide it equally between the remaining players still participating in the pot and the house or, if allowed by game rules, only the players still participating in the pot.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. 12-15-044 (Order 678), § 230-15-040, filed 7/13/12, effective 8/13/12; 09-17-076 and 09-17-105 (Orders 656 and 656-A), § 230-15-040, filed 8/14/09 and 8/18/09, effective 9/14/09 and 9/18/09. Statutory Authority: RCW 9.46.070. 08-21-086 (Order 632), § 230-15-040, filed 10/14/08, effective 1/1/09; 07-09-033 (Order 608), § 230-15-040, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-045 Withdrawing card game authorization.** If the director or the director's designee withdraws authorization of a card game:

(1) The director or the director's designee will give licensees written notice and an opportunity to object to the decision. If a licensee files an objection in writing, an administrative law judge will review the decision.

(2) The director or the director's designee will provide written notice to impacted licensees after a final decision is made.

[Statutory Authority: RCW 9.46.070. 08-21-086 (Order 632), § 230-15-045, filed 10/14/08, effective 1/1/09; 07-09-033 (Order 608), § 230-15-045, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-050 Minimum cash on hand requirements.** (1) Card game licensees must have sufficient cash on hand to redeem all chips issued for play and pay out all prizes.

(2) Within three hours of opening for the business day, at a time included in the internal controls, house-banked card game licensees must have at least the following minimum amount of cash on premises in their cage, safe, and vault combined:

(a) One thousand dollars for each house-banked table on the gambling floor; plus

(b) The amount of the largest single prize available excluding jackpot prizes when WAC rules require a deposit into a separate bank account (for example, player-supported jackpots and progressive jackpots).

For example: If a house-banked card room has fifteen house-banked tables and a largest single prize of twenty-three thousand dollars, before opening, the cage must have at least thirty-eight thousand dollars on hand: 15 tables x \$1,000 = \$15,000 + largest single prize of \$23,000 = \$38,000.

(3) Except for the restrictions on player-supported jackpot pay outs in WAC 230-15-405 and progressive jackpot pay outs in WAC 230-15-690, licensees may pay prizes by check if sufficient funds are available on deposit.

(4) Failure to keep funds to cash in chips, pay prizes, or redeem gambling related checks is prima facie evidence of fraud. Meeting the minimum cage cash amount does not relieve the licensee from the requirement to have sufficient funds available to redeem all chips and pay out all prizes.

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[Statutory Authority: RCW 9.46.070. 09-03-024 (Order 640), § 230-15-050, filed 1/9/09, effective 2/9/09; 07-23-081 (Order 620), § 230-15-050, filed 11/20/07, effective 1/1/08; 07-09-033 (Order 608), § 230-15-050, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-055 Limit on number of players at each table.** Card game licensees must only allow:

(1) Up to nine players or areas for wagering at any table in house-banked card games.

(2) Up to ten players at any table in nonhouse-banked card games.

[Statutory Authority: RCW 9.46.070. 08-23-079 (Order 637), § 230-15-055, filed 11/18/08, effective 1/1/09; 07-09-033 (Order 608), § 230-15-055, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-060 Posting rules for play.** Card game licensees must:

(1) Prominently post:

(a) Wagering limits for each type of game, including the ante; and

(b) Prize pay outs and any prize-related restrictions; and

(c) All fees to play; and

(d) Policies on employees being allowed to play; and

(e) Procedures for resolving player disputes; and

(2) Prominently post any general rules, or a sign stating that these rules are available immediately on request. These rules must include, at least:

(a) Rules of play; and

(b) Methods of making wagers; and

(c) Procedures for misdeals; and

(d) Procedures for betting irregularities; and

(e) Procedures for splitting pots; and

(f) Any rules that may restrict a player's right to win a hand, pot, or jackpot prize; and

(3) Post at the gambling table any aggregate limits, procedures, or restrictions that differ from the general rules of play that have been posted.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-060, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-065 Enforcement of card game rules of play.** Card game licensees must conduct card games according to the approved rules of play. We enforce rules of play in the following order:

(1) **First priority:** Rules explained in Title 230 WAC; and

(2) **Second priority:** Rules explained by a licensed manufacturer of a patented game that we have approved; and

(3) **Third priority:** House rules card game licensees have developed and we have approved; and

(4) **Fourth priority:** Rules explained in the most current version of *The New Complete Hoyle, Revised* or *Hoyle's Modern Encyclopedia of Card Games*, or a similar authoritative book on card games which we have approved.

[Statutory Authority: RCW 9.46.070. 07-10-034 (Order 611), § 230-15-065, filed 4/24/07, effective 1/1/08.]

**WAC 230-15-070 Fee restrictions for nonhouse-banked card games.** (1) The licensee must collect the same fee from all players at a table. If the licensee allows free play, then all players at a table must be allowed to play for free. If

(10/12/12)

card game licensees base their fees on a period of time, they may allow card room employees and owners to play without a fee;

(2) Card game licensees must not require players to pay for or purchase any other goods or services as a condition of playing cards; and

(3) Card game licensees may collect an admission fee when providing entertainment, as long as they charge all patrons the fee.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-070, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-075 Card game fees for nonhouse-banked card games.** Nonhouse-banked card game licensees must:

(1) Not charge, directly or indirectly, fees more than those fees in WAC 230-15-080. Nonprofit or charitable card game licensees may charge their usual membership fee to belong to the organization;

(2) Keep all fees collected separate from all other chips and cash until they are recorded in the daily card room records and then deposit the fees in the cashier's cage (if applicable). All chips and cash in the cashier's cage must be kept separate from all other moneys located on the licensed premises while card games are conducted; and

(3) Keep and record card game fees separately from all other fees and have the records available for audit by commission staff, local law enforcement, and taxing authorities.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-075, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-080 Authorized fees and authorized methods of collection.** Card game licensees must collect only one type of card game fee at a table at any given time. The following are authorized types of fees, the card game licensees who may use those fee types, and the methods of collection:

Authorized types of fees	Licensees authorized to use the fee types	Authorized methods of collection	Maximum amount to collect
<p>(1) <b>Period of time -</b></p> <p>(a) Licensees must collect the fee at least once per hour at times the licensee chooses, for example, at thirty minute increments; and</p> <p>(b) Licensees must record all fees immediately after collection; or</p>	Class A, B, C, E, F	Direct collection; or Chip rack - only allowed if licensed for three or fewer tables; or Drop box.	Not more than ten dollars per hour, per player.
<p>(2) <b>Per hand played -</b></p> <p>(a) Players must place fees charged on a per-hand basis in a designated area of the table and dealers must collect them before dealing the first round of cards; and</p> <p>(b) After collecting the fees, dealers must deposit all chips or coins in either the drop box or chip rack; or</p>	Class F and house-banked	Drop box; or Chip rack - only allowed if licensed for three or fewer tables.	Not more than one dollar per hand, per player.
<p>(3) <b>Rake -</b></p>	Class F and house-banked	Drop box; or Chip rack - only allowed if licensed for three or fewer tables.	Not more than five dollars per hand or ten percent of the total wagers for a hand, whichever is less.

Authorized types of fees	Licensees authorized to use the fee types	Authorized methods of collection	Maximum amount to collect
<p>(a) Dealers must collect fees charged on the amounts wagered during the play of the hand and place the fees in a designated area of the table; and</p> <p>(b) Once dealers accumulate the maximum fee for a hand, they must spread the chips or coins to allow players and the surveillance system to view the amount collected. After spreading the chips or coins, the dealer deposits them in either the drop box or chip rack.</p>			

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-080, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-085 Requirements for authorized methods of collecting fees.** (1) **Direct collection** - Card game licensees using the direct collection method must have a licensed card room employee other than the dealer collect fees directly from each player and deposit the fees in the bank area serving the card games.

(2) **Drop box** - Licensees must locate the drop box opening in a place that is isolated from the pot area and in plain view of all players and the surveillance system. Licensees must have:

- (a) A licensed dealer; and
- (b) A table with a designated area for each type of fee removed from the pot; and
- (c) A separate drop box for each type of fee.

(3) **Chip rack** - Licensees using the chip rack method must:

- (a) Have a licensed dealer; and
- (b) Use a game lay-out with a designated area for player fees; and
- (c) Use a chip rack separated into sections for each type of fee collected (example: Time fee collected and fee to enter player-supported jackpot); and
- (d) Ensure that dealers temporarily store and control fees in the chip rack until the floor supervisor collects the fees; and
- (e) Ensure that the licensed card room employee responsible for that area of the card room removes all chips collected as fees from the dealers' chip racks at least every four hours; and
- (f) Have licensed card room employees count chips and coins in the presence of players and immediately record the totals on the record in a format we require; and
- (g) Have the dealer and floor supervisor who remove the chips and coin each initial the commission record verifying its accuracy.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-085, filed 4/10/07, effective 1/1/08.]

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**WAC 230-15-090 Requirements for drop boxes.** Drop box means a metal container attached to each gambling table into which the dealer must deposit all chips and cash collected during play and, if required, insert card game inventory control slips. Each drop box must have:

- (1) **A box lock** - A lock that secures the contents; and
- (2) **A table lock** - A separate lock securing the drop box to the gambling table. Card game licensees must key this lock differently from the lock securing the contents of the drop box; and
- (3) **An opening** - An opening through which currency, coin, chips, forms, records, and documents can be inserted into the drop box; and
- (4) **A label** - A permanent number clearly visible which corresponds to a permanent number on the gambling table to which the box is attached. The shift during which the box was used must also be included if drop boxes are removed from tables more than once during an operating day. Card game licensees may keep emergency drop boxes if the box has the word "emergency" permanently on it, and, when it is put into use, licensees temporarily mark it with the number of the gambling table.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-090, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-100 Providing cards and chips in card games.** (1) Card game licensees, except for Class D licensees, must supply all chips and cards and not allow any other chips or cards to be used on their premises.

(2) Card game licensees must not charge additional fees to players for chips and cards except as allowed under WAC 230-15-110.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-100, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-105 Only authorized cards or chips may be used.** (1) No one may bring a playing card or cards into a licensed card room to introduce or use in authorized card games.

(2) Other than chips purchased from the licensed card room, no one may bring any wagering chip or chips into a licensed card room to introduce or use in authorized card games.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-105, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-110 Standards for chips.** (1) Chips must be of conventional size and design that maximize the integrity of the card games. Chips must be identifiable as belonging to the licensee and must:

- (a) Include the house name or logo; and
- (b) Denote the chip value; and
- (c) Be made by a licensed manufacturer; and
- (d) Be purchased from a licensed manufacturer or distributor.

(2) Class D licensees are exempt from subsection (1) of this section.

(3) Card game licensees must:

- (a) Safeguard all chips in their possession; and
- (b) Not allow any other person to buy or sell chips for use in card games on their premises.

(4) Class A, B, C, and E licensees with five or fewer tables may use chips without a house name or logo if the chips are identifiable as belonging to the licensee and they prominently post values of the chips in the card room.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-110, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-111 Destruction and disposal of gambling chips.** Licensees must submit internal controls to us outlining the procedures for destroying or disposing of gambling logo chips.

(1) Licensees' internal controls must set out the method for destroying logo chips that are damaged or worn. The internal controls must include, at least:

(a) That chips must be destroyed or mutilated in such a way that they are unusable for play; and

(b) The two departments, one of which must be the accounting department, that will be responsible for overseeing chip destruction; and

(c) Only licensed employees may perform chip destruction.

(2) Licensees must record all gambling chips they destroyed on a chip destruction log in the format we require.

(3) If a card room closes, the licensee or former licensee must:

(a) Sell or otherwise transfer gambling equipment to a licensed manufacturer or distributor; or

(b) Destroy the chips according to the established internal controls and provide the chip destruction log to us.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-15-111, filed 10/22/07, effective 1/1/08.]

**WAC 230-15-115 Standards for cards.** (1) Card game licensees must:

(a) Supply cards of conventional size and design to maximize the integrity of the card games; and

(b) Safeguard all cards; and

(10/12/12)

(c) Not allow cards that have been modified or marked in any manner.

(2) For Class E, Class F, and house-banked games, the cards must:

(a) Be made by a licensed manufacturer; and

(b) Be purchased from a licensed manufacturer or distributor.

(3) Cards with the house name or logo must be used for house-banked card games.

[Statutory Authority: RCW 9.46.070. 09-11-087 (Order 648), § 230-15-115, filed 5/18/09, effective 7/1/09; 07-09-033 (Order 608), § 230-15-115, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-120 Fees for decks of cards.** (1) Card game licensees may charge a fee to a player asking for a new deck of cards.

(2) In addition, Class D licensees may charge a fee for every deck supplied to a table.

(3) The fee must not be greater than the licensee's actual cost for the deck.

(4) At the time licensees introduce new decks, they must collect the fee in cash directly from the player requesting the deck or the players of the game.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-120, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-125 Cutting cards in player-dealt games.** In player-dealt games:

(1) After the shuffle, the dealer must offer the cards to a player for a cut. After this initial offer of a cut, the dealer may require any player who asks for a cut to pay a maximum of one dollar; and

(2) Dealers must:

(a) Not cut the cards more than twice during each hand or game; and

(b) Place all the fees for cutting the cards into the pot for that hand or game.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-125, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-126 Cutting cards in center dealer-dealt games.** In center dealer-dealt games:

(1) After the shuffle, the dealer may offer the cards to a player for a cut. After this initial offer of a cut, the dealer may require any player who asks for a cut to pay a maximum of one dollar; and

(2) Dealers must:

(a) Not cut the cards more than twice during each hand or game; and

(b) Place all the fees for cutting the cards into the pot for that hand or game.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-15-126, filed 10/22/07, effective 1/1/08; 07-10-034 (Order 611), § 230-15-126, filed 4/24/07, effective 1/1/08.]

**WAC 230-15-130 Rotating the deal in player-dealt games.** If card game licensees offer player-dealt games:

(1) The deal must pass from player to player; and

(2) A player may not deal another game until all of the players at the table have had their turn to deal. Players may voluntarily waive their right to deal any particular game.

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[Statutory Authority: RCW 9.46.070, 07-09-033 (Order 608), § 230-15-130, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-135 Wagering limits for nonhouse-banked card games.** Card room licensees must not exceed these wagering limits:

(1) **Poker -**

(a) There must be no more than five betting rounds in any one game; and

(b) There must be no more than four wagers in any betting round, for example, the initial wager plus three raises; and

(c) The maximum amount of a single wager must not exceed forty dollars; however, class F and house-banked card game licensees may offer a single wager not to exceed one hundred dollars for the game of Texas Hold'em;

(2) **Games based on achieving a specific number of points -** Each point must not exceed five cents in value;

(3) **Ante -** No more than the maximum wager allowed for the first betting round for any game, except for Panguingue (Pan). The ante may, by house rule:

(a) Be made by one or more players, but the total ante may not exceed the maximum wager allowed for the first betting round; and

(b) Be used as part of a player's wager;

(4) **Panguingue (Pan) -** The maximum value of a chip must not exceed ten dollars. An ante must not exceed one chip. We prohibit doubling of conditions. Players going out may collect no more than two additional chips for going out from each participating player.

[Statutory Authority: RCW 9.46.070 and 9.46.0282, 12-21-048 (Order 680), § 230-15-135, filed 10/12/12, effective 1/1/13; 09-21-013 (Order 658), § 230-15-135, filed 10/9/09, effective 11/9/09. Statutory Authority: RCW 9.46.070, 09-09-056 (Order 642), § 230-15-135, filed 4/10/09, effective 7/1/09; 07-21-116 (Order 617), § 230-15-135, filed 10/22/07, effective 1/1/08; 07-09-033 (Order 608), § 230-15-135, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-140 Wagering limits for house-banked card games.** (1) A single wager or a bonus wager for an odds-based pay out must not exceed three hundred dollars.

(2) A player may make a single wager for each decision before the dealer deals or reveals additional cards. For Blackjack, the player may place an additional wager for doubling down or splitting pairs.

(3) Bonus wagers for progressive jackpots must not exceed manufacturer's rules or limits listed in subsection (1) of this section.

[Statutory Authority: RCW 9.46.070, 08-20-025 (Order 631), § 230-15-140, filed 9/19/08, effective 1/1/09; 07-09-033 (Order 608), § 230-15-140, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-141 Additional merchandise or cash prizes for card games.**

**Nonproprietary games.**

(1) Licensees may add additional merchandise or cash prizes to nonproprietary games like Blackjack or Pai Gow. We consider these additional prizes a gambling promotion and they must meet all requirements of WAC 230-06-030.

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**Proprietary games.**

(2) Licensees must not add additional merchandise or cash prizes to proprietary games without the approval of the company that owns the rights to the games.

(3) To indicate their approval, the owner of the rights to a proprietary game must:

(a) Submit an alternative pay-table that includes the additional or revised prize payout to us for review and approval; or

(b) Send an authorization letter to us allowing the addition of gambling promotions to their game.

(4) Once we approve the changes, the revised pay-tables are available to all card game licensees. The prizes become a part of the game rules and we consider them prize payouts on the game. Because of this, we do not consider the prizes a gambling promotion.

[Statutory Authority: RCW 9.46.070, 08-17-066 (Order 629), § 230-15-141, filed 8/18/08, effective 9/18/08; 07-21-116 (Order 617), § 230-15-141, filed 10/22/07, effective 1/1/08.]

**WAC 230-15-145 Making wagers with chips or coin.**

Players in card games must make all wagers and pay fees to play card games with chips, except that:

(1) Players may use half dollars or quarters in house-banked card games; and in nonhouse-banked card games to pay fees.

(2) Players may use dimes and nickels in any game that allows a commission to be charged.

[Statutory Authority: RCW 9.46.070, 09-15-069 (Order 652), § 230-15-145, filed 7/13/09, effective 1/1/10; 08-23-061 (Order 632), § 230-15-145, filed 11/14/08, effective 1/1/09; 07-09-033 (Order 608), § 230-15-145, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-150 Selling and redeeming chips.** (1) Card game licensees must:

(a) Sell chips and redeem chips at the same value; and  
(b) Sell chips for cash at gambling tables; and  
(c) Keep all funds from selling chips separate and apart from all other money received; and

(d) Not extend credit to a person purchasing chips, including to card room employees playing cards; and

(2) Licensees may accept checks, if the checks meet the requirements of WAC 230-06-005. They must:

(a) Deposit any check retained after the close of business no later than the second banking day after the close of business. Checks deposited to an armored car service no later than the second banking day after the close of business meet this requirement; and

(b) Count each transaction for the purchase of chips as a separate transaction. (Example: They must not allow a player's check to be altered after it is exchanged for chips.)

[Statutory Authority: RCW 9.46.070, 07-10-034 (Order 611), § 230-15-150, filed 4/24/07, effective 1/1/08.]

**WAC 230-15-155 NSF checks.** (1) Card game licensees may use a guarantee service to preapprove checks. The bank may send the original nonsufficient funds (NSF) check to the guarantee service.

(2) If card game licensees do not use a guarantee service or choose not to use their guarantee service to preapprove a particular check, licensees must:



(a) Keep records of all NSF checks in the format we require and make the records available to the cashier; and

(b) Prohibit persons who submitted NSF checks from submitting additional checks until the person pays the amount owed in full; and

(c) Have all NSF checks returned directly to them and control the checks.

(3) Card game licensees may immediately redeposit a check that was NSF if they have sufficient reason to believe the check will be honored the second time.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-155, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-158 Ensuring card room employees meet license requirements.** Card game licensees must not allow any person to perform the duties of card room employee until they have met our licensing requirements.

[Statutory Authority: RCW 9.46.070. 09-11-088 (Order 649), § 230-15-158, filed 5/18/09, effective 7/1/09.]

**WAC 230-15-160 Providing dealers.** (1) "Dealer" means a licensed card room employee who conducts card games, deals cards, collects or pays off players' bets, or collects fees. Card game licensees:

(a) May provide a dealer in any card game; and

(b) Must have a dealer for all house-banked card games, card games operated with a player-supported jackpot, or card games authorized to charge per-hand fees or take a rake.

(2) Dealers must not play in the games while dealing and must have no financial interest in the outcome of the games, except that we allow tip wagers.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-160, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-165 Defining "floor supervisor."** "Floor supervisor" means a licensed card room employee who oversees a limited number of card games within a designated area and directly supervises the dealers assigned to those games. The floor supervisor reports to the shift manager.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-165, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-170 Photos of card room employees required.** Card game licensees must have photographs of their licensed card room employees with the employees' licenses, available for inspection on the premises. The photo must be of a passport type not less than 2" x 3" and clearly show a full facial view of the employee.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-170, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-180 Playing for or assisting others prohibited.** No person may:

(1) Allow a representative to sit in on a card game on their behalf for any purpose; or

(2) Act as a representative on anyone's behalf; or

(3) Allow anyone to assist any player in the game in a manner which gives that player an advantage over other players.

(10/12/12)

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-180, filed 4/10/07, effective 1/1/08.]

### **WAC 230-15-185 Preventing cheating in card games.**

(1) Card game licensees must take necessary steps to prevent cheating and ensure that games are played fairly.

(2) If card game licensees find someone cheating, they must:

(a) Contact the local law enforcement agency immediately in urgent situations; and

(b) Report it to us within three business days.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-185, filed 4/10/07, effective 1/1/08.]

## **GENERAL RECORDS AND RECORDKEEPING FOR CARD GAMES**

**WAC 230-15-190 Preparing card game records.** (1) Card game licensees must prepare all records in the format we require. Licensees must record the data in ink, on storage media, or in other permanent form.

(2) Licensees must print, or back up in a permanent form, all the data kept in computer data bases monthly.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-190, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-195 Keeping and making daily records available.** Card game licensees must:

(1) Keep the daily records of card room operations for at least three years;

(2) Have the past six months of daily card game records on the premises of the card room and available for inspection; and

(3) Make records older than six months available within forty-eight hours if we, local law enforcement, or taxing authorities request the records.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-195, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-200 Reporting card game activity semi-annually.** Card game licensees, except for Class D, must submit an activity report for their card games to us.

(1) Licensees must complete the report in the format we require; and

(2) We must receive the completed report, or the report must be postmarked, no later than thirty days after the end of the reporting period; and

(3) The highest ranking executive officer or designee must sign the report. If someone other than the licensee or an employee prepares the report, the preparer must print his or her name and phone number on the report; and

(4) Licensees must report activities for:

January 1 through June 30; and

July 1 through December 31; and

(5) Licensees must submit a report for any period of time their license was valid. If licensees do not renew, they must submit a report for the period between the previous semi-annual report they filed and the date their license expired.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-200, filed 4/10/07, effective 1/1/08.]

## CARD TOURNAMENTS

**WAC 230-15-205 Card tournament licenses.** (1) Class A, B, E, F, or house-banked licensees may conduct a card tournament where a fee or buy-in is charged without getting a card tournament license, but they must only operate those card games approved for their license class.

(2) Class D licensees must obtain a card tournament license to charge a fee for a card tournament.

[Statutory Authority: RCW 9.46.070. 08-21-087 (Order 633), § 230-15-205, filed 10/14/08, effective 1/1/09; 07-09-033 (Order 608), § 230-15-205, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-210 Entry fees and buy-ins for card tournaments.** (1) Card game licensees must:

(a) Not charge more than one hundred dollars per player for an entry fee; and

(b) Collect all entry fees before the start of play.

(2) The entry fee must include all the separate fees for various phases and events of the tournament, for food and drink, and for promotional material.

(3) Card game licensees may award prizes in excess of entry fees collected.

(4) Card game licensees may require a minimum buy-in of chips. The buy-in may be a single or multiple buy-in, but the total per player may not exceed four hundred dollars per tournament.

(5) Card game licensees must:

(a) Keep a record of the buy-ins for each player in the format we require; and

(b) Return all buy-ins to the players in cash or merchandise prizes.

(6) We do not consider buy-ins gross gambling receipts.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-210, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-215 Getting card tournaments approved.** (1) Card game licensees must notify us ten days before any card tournament where the single or multiple buy-in(s) are more than fifty dollars. Card game licensees must submit rules for these tournaments for approval in advance.

(2) If a tournament is identical to a previously approved tournament under subsection (1) of this section, no further approval is needed. Notify us ten days in advance of the tournament.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-215, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-220 Restricting length of card tournaments.** Card game licensees must not conduct a tournament for longer than thirty consecutive calendar days.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-220, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-225 Tournament rules and prizes.** (1) Before players pay their fees, card game licensees must prominently post on the premises and keep posted until the tournament is complete:

(a) All rules, prizes, and conditions of the tournament; and

(b) The tournament fee; and

(c) Entry and buy-in requirements; and

(d) A description of all of the goods and services they will provide as a part of the tournament.

(2) Licensees must initially provide all tournament entrants with the same number of chips or points and the same opportunity for rebuys.

(3) If there are more players than spots available in the tournament, card game licensees may conduct a drawing to determine which players participate. If there is a fee to enter the tournament, card game licensees must collect it after the drawing has occurred.

(4) After the tournament has begun, card game licensees must not conduct a drawing to decide who will fill an extra seat.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-225, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-230 Offering discounted tournament fees as customer appreciation.** Card game licensees may offer discounted fees to card tournaments to specific groups of players (such as Ladies' Night) as customer appreciation.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-230, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-235 Exclusive tournament entry as customer appreciation.** Card game licensees may offer exclusive tournament entry to specific groups as customer appreciation. Card game licensees must include all requirements or restrictions in their tournament rules.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-235, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-240 Value of tournament chips.** Card game licensees must use chips that have no monetary value and can only be redeemed for prizes posted by the licensee.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-240, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-245 Reporting entry fees as gambling receipts.** (1) Card game licensees must report all entry fees as gross gambling receipts.

(2) If card game licensees prepare and provide food and drink as a part of the entry fee, they may treat the fair market value of the food and drink as commercial stimulant sales and not include it as gross gambling receipts.

(3) The fair market value of the food and drink must not exceed twenty-five dollars per player or fifty percent of the entry fee, whichever is more. Card game licensees must support these amounts with records.

(4) When determining adjusted net gambling receipts from the entry fees, card game licensees may deduct:

(a) Cost of promotional items; and

(b) Cost of merchandise prizes awarded; and

(c) Cost of merchandise prizes and cash awarded in customer appreciation tournaments; and

(d) Cash prizes awarded, excluding buy-ins.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-245, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-250 Recordkeeping for card tournaments.** (1) Card game licensees must keep tournament records in the format we require.

(2) On the daily control sheet for the first day of a tournament, card game licensees must include the total gross gambling receipts and attach the record of participants.

(3) Licensees must attach the tournament records to the daily card game records for the date they awarded the majority of the prizes in the tournament.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-250, filed 4/10/07, effective 1/1/08.]

## ADDITIONAL RULES FOR CHARITABLE AND NONPROFIT CARD GAMES

**WAC 230-15-255 Posting rules for unlicensed card and dice games.** Charitable and nonprofit organizations licensed to provide liquor to their members must post house rules for unlicensed social card and dice games. At a minimum, the house rules must include:

- (1) General rules of play;
- (2) Hours of play;
- (3) Portions of the premises to be used for the games; and
- (4) The restriction that only their full and regular members may play in the games.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-255, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-260 Allowing guests to play social card games.** If a charitable or nonprofit organization has a social card game license, the organization may permit guests accompanied by full and regular members to play, as long as the guests comprise twenty-five percent or fewer of the persons playing at any one time.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-260, filed 4/10/07, effective 1/1/08.]

## SURVEILLANCE REQUIREMENTS FOR CLASS F AND HOUSE-BANKED CARD GAME LICENSEES

**WAC 230-15-265 Closed circuit television system surveillance requirements.** Class F and house-banked card game licensees must install and maintain a closed circuit television (CCTV) system. Licensees must use either analog or digital recording equipment. Licensees must record video signals from all required cameras if they are performing any of the following:

- (1) Operating gambling tables; or
- (2) Storing drop boxes or chip trays on the gambling tables; or
- (3) Transporting drop boxes; or
- (4) Counting drop box contents.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-265, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-267 Remote access of closed circuit television surveillance systems.** Licensed gambling service suppliers that install and maintain closed circuit television (CCTV) surveillance systems may remotely access digital CCTV systems for maintenance or repair under the following provisions:

(10/12/12)

(1) The card room licensee must notify us before the remote access occurs; and

(2) The card room licensee must document any remote access in their surveillance log; and

(3) Remote access will only be enabled for the duration of the maintenance or repair and the connection terminated immediately after.

[Statutory Authority: RCW 9.46.070. 09-15-071 (Order 651), § 230-15-267, filed 7/13/09, effective 1/1/10.]

**WAC 230-15-270 Surveillance when operating both Class F and house-banked card games.** If licensees are conducting both Class F and house-banked card games, they must meet the surveillance requirements for house-banked card games.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-270, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-275 Surveillance requirements for Class F card games.** (1) Class F licensees must use a closed circuit television system (CCTV) to record critical activities when:

- (a) Operating player-supported jackpots; or
- (b) Assessing fees on amounts wagered (rake method).
- (2) Class F licensees must have a CCTV that views:
  - (a) All gambling at each table including, at least, the:
    - (i) Cards; and
    - (ii) Wagers; and
    - (iii) Chip tray; and
    - (iv) Drop box openings; and
    - (v) Table number; and
    - (vi) Players; and
    - (vii) Dealers; and
  - (b) When the count is being conducted, at least, the:
    - (i) Count table; and
    - (ii) Floor; and
    - (iii) Drop boxes; and
    - (iv) Drop box storage shelves/cabinets.

[Statutory Authority: RCW 9.46.070. 07-10-034 (Order 611), § 230-15-275, filed 4/24/07, effective 1/1/08.]

**WAC 230-15-280 Surveillance requirements for house-banked card games.** House-banked card game licensees must use a closed circuit television system (CCTV) to closely monitor and record all gambling activities and areas, including, at least:

- (1) Each table, including:
  - (a) Cards; and
  - (b) Wagers; and
  - (c) Chip tray; and
  - (d) Drop box openings; and
  - (e) Table number; and
  - (f) Card shoe; and
  - (g) Shuffling devices; and
  - (h) Players; and
  - (i) Dealers; and
- (2) The designated gambling areas; and
- (3) The cashier's cage, including:
  - (a) Outside entrance; and
  - (b) Fill/credit dispenser; and

- (c) Customer transactions; and
- (d) Cash and chip drawers; and
- (e) Vault/safe; and
- (f) Storage cabinets; and
- (g) Fill or credit transactions; and
- (h) Floor; and
- (4) The count room, including:
  - (a) The audio; and
  - (b) Count table; and
  - (c) Floor; and
  - (d) Counting devices; and
  - (e) Trolley; and
  - (f) Drop boxes; and
  - (g) Storage shelves/cabinets; and
  - (h) Entrance and exit; and
- (5) The movement of cash, gambling chips, and drop boxes; and
- (6) Entrances and exits to the card room.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-280, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-285 Camera and monitor requirements for closed circuit television systems.** (1) Class F and house-banked licensees' closed circuit television system must consist of light sensitive cameras capable of permitting the viewer to determine card and chip values. Each video camera must be capable of having the images displayed on a video monitor and recorded.

(2) Class F and house-banked licensees must install, at least:

- (a) Cameras in a manner that will prevent them from being obstructed, tampered with, or disabled; and
- (b) Pan, tilt, zoom (PTZ) cameras behind a smoked dome, one-way mirror, or similar materials that conceal the camera from view; and
- (c) One or more fixed camera focused over each gambling table, covering the entire table layout.
- (d) In nonhouse-banked games, an additional fixed camera must focus over the dealer area, covering the chip rack, all drop box openings, and the community card area; and
- (e) A sufficient number of fixed cameras and/or PTZ cameras to monitor players and dealers at each gambling table. The PTZ cameras must be:
  - (i) Permanently programmed; and
  - (ii) Capable of viewing each patron and dealer at each gambling position at least once every five minutes; and
- (f) A sufficient number of fixed cameras and/or PTZ cameras in the count area or count room; and
- (g) Fixed cameras and/or PTZ cameras in any other location deemed necessary.

(3) In addition, house-banked card game licensees must:

- (a) Install a sufficient number of video monitors in their CCTV system to simultaneously view multiple gambling tables, the cashier's cage, and count room activities;
- (b) Install a sufficient number of fixed cameras and/or PTZ cameras in the cage(s); and
- (c) Install a sufficient number of PTZ cameras having the ability to determine the card and chip values for winning hands.

[Statutory Authority: RCW 9.46.070 and 34.05.353. 08-22-068 (Order 635), § 230-15-285, filed 11/4/08, effective 1/1/09. Statutory Authority: RCW

9.46.070. 07-10-034 (Order 611), § 230-15-285, filed 4/24/07, effective 1/1/08.]

**WAC 230-15-290 Analog video recording equipment requirements.** Class F and house-banked card game licensees using analog video recording equipment with video cassette recorders, including audio recording where required, must:

- (1) Record images at a rate of at least twenty frames per second on standard VHS format; and
- (2) Reflect accurately the time and date of the video recording. Licensees using multiple time and date generators must synchronize them to the same time and date.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-290, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-295 Digital video recording equipment requirements.** Digital recording, including audio recording where required, using a digital recording and storage system, must:

- (1) Record all images on a hard drive; and
- (2) Lock so that access to the erase and reformat functions and system data files is restricted to persons authorized in the internal controls; and
- (3) Provide uninterrupted recording of surveillance, during playback or copying. Licensees may use motion-activated recording; and
- (4) Be capable of copying original images maintaining the original native format; and
- (5) Be stored at a rate of not less than twenty-five images per second; and
- (6) Record images at a minimum resolution of 320 x 240 and display during playback at a minimum resolution of 640 x 480; and
- (7) Store images in a format that is readable by our computer equipment; and
- (8) Store images in a format that we can verify and authenticate; and
- (9) Include the accurate time and date the video was originally recorded on the recorded images; and
- (10) Be equipped with an uninterruptible power source to allow a proper system shutdown.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-295, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-300 Using multiplex and quad recording devices in required surveillance.** (1) Licensees must not use multiplexing and quad recording devices for required surveillance, except that they may use:

- (a) Multiplexing or quad recording devices on entrances and exits to the card room; and
- (b) Quad recording devices to record the movement of drop boxes between tables and the count room.

(2) "Multiplex recording" means combining multiple video inputs into a single signal by cycling through the separate video inputs with the view rotating among different cameras in a predetermined order, recording each video input consecutively in the cycle. Multiplex recording does not provide continuous recording of each video input because the amount of time lapse in the cycle depends on the number of video inputs.

(3) "Quad recording" means four separate video inputs that record continuously and combine into a single signal displayed on one monitor with a view of each video input.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-15-300, filed 10/22/07, effective 1/1/08; 07-09-033 (Order 608), § 230-15-300, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-305 Reporting illegal or suspicious activities.** (1) Class F and house-banked card game licensees must report to us within three business days any illegal or suspicious activities within the portion of their business premises required to be under surveillance.

(2) Licensees must:

(a) Make a copy of the entire recorded sequence of the activity; and

(b) Give the original recording to us or other law enforcement when requested; and

(c) Keep the copy for at least thirty days.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-305, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-310 Resolving disputes using video recordings.** (1) If the video recording of a disputed incident is not clear, we will resolve the dispute in favor of the player unless the Class F or house-banked card game licensee can prove to us that the actions taken were warranted.

(2) Licensees may request a review by commission staff if the licensee feels circumstances warrant, for example, cheating has occurred.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-310, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-319 Retaining video recordings.** (1) Class F and house-banked card game licensees must label video recordings and audio recordings, as required, to identify the activities recorded.

(2) Licensees must keep:

(a) All recordings for seven gambling days, for example, Monday's gambling day recording may be recorded over on Tuesday of the following week; and

(b) Recordings documenting jackpot pay outs for at least thirty days:

(i) For player supported jackpots, retain recordings of jackpots of five hundred dollars or more; and

(ii) For house-banked games, retain recordings of jackpots of three thousand dollars or more; and

(c) Recordings of evidentiary value for as long as we request.

(3) We may increase these retention requirements by notifying licensees.

[Statutory Authority: RCW 9.46.070. 07-07-056 (Order 607), § 230-15-319, filed 3/14/07, effective 1/1/08.]

**WAC 230-15-320 Surveillance room requirements for house-banked card game licensees.** House-banked card game licensees must maintain one or more surveillance rooms. They must:

(1) Control access to the surveillance room so that only surveillance department employees use the room. Owners or their approved supervisory or management personnel may also enter the surveillance room to monitor activities. Licensees

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may allow authorized personnel to escort any other person into the surveillance room for educational, investigative, or maintenance purposes; and

(2) Ensure that surveillance room entrances are not easily observed from the gambling floor; and

(3) Ensure that a surveillance employee is present in the room and monitoring activities using the equipment any time the card room is conducting gambling and during the count process. However, subject to subsection (4) of this section, licensees may operate the surveillance room without staff:

(a) For routine breaks that are less than thirty minutes per shift; or

(b) When only nonhouse-banked card games are operated with wager limits of forty dollars or less and such limits are documented in their internal controls.

(4) Ensure that any time a winning wager, a jackpot, or bonus pay out greater than three thousand dollars is won, they use pan-tilt-zoom (PTZ) cameras to verify:

(a) Winning hands; and

(b) Amounts of the wager; and

(c) Amounts of the pay out; and

(d) Players who won the prize.

[Statutory Authority: RCW 9.46.070. 09-11-093 (Order 645), § 230-15-320, filed 5/18/09, effective 7/1/09; 08-23-080 (Order 638), § 230-15-320, filed 11/18/08, effective 1/1/09; 07-10-034 (Order 611), § 230-15-320, filed 4/24/07, effective 1/1/08.]

#### **WAC 230-15-325 Surveillance room sign-in log.**

House-banked licensees and Class F licensees, if they operate a surveillance room, must keep a surveillance room sign-in log in the format we require to document anyone entering or leaving the surveillance room. Licensees must make the surveillance sign-in log available to us or to law enforcement personnel when requested.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-325, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-330 Keeping a surveillance activities log.** Class F and house-banked card game licensees must keep a log of all surveillance activities in the format we require.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-330, filed 4/10/07, effective 1/1/08.]

### **ADDITIONAL RULES FOR CLASS F CARD GAMES**

**WAC 230-15-335 Internal controls.** Class F licensees must establish internal controls that ensure gambling activities are closely controlled and operated fairly.

(1) The internal controls must require, at a minimum:

(a) Trained personnel; and

(b) Segregation of duties for all employees involved in the operation; and

(c) Fee collection and funds safeguarding procedures; and

(d) Playing card and chip inventory.

(2) Licensees must inform their card room employees of the internal controls related to the employees' respective areas of responsibility.

(3) Licensees and all card room employees must follow the internal controls at all times.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-335, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-340 Minimum number of licensed employees required.** (1) Class F card game licensees must have at least one floor supervisor for each gambling area. Each supervisor may supervise up to seven tables. We must approve the arrangement of tables in the internal controls.

(2) Licensees must have two licensed card room employees in the card room at all times player-supported jackpots are in play or licensees are using the rake type of fee collection. One of the employees must be a floor supervisor.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-340, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-345 Numbering tables.** Class F licensees must permanently number each table.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-345, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-350 Transporting drop boxes.** For Class F licensees using drop boxes, the supervisor or the supervisor's designee must transport drop boxes directly to the count area.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-350, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-355 Counting procedures for fees.** (1) We do not require Class F licensees using the drop box method to collect fees to have a separate count room if they have a secure location to count and they meet all other commission requirements for surveillance and counting procedures in WAC 230-15-275. Class F licensees must:

(a) Conduct the count at a specific time that licensees have reported to us; and

(b) Count all fees at least once every twenty-four hours; and

(c) Have at least two card room employees count and record the amount on the count slip for each drop box; and

(d) Make an entry in the daily card room record for each type of fee collected at each table. Licensees must retain card game control slips for each table with the daily records.

(2) If Class F licensees using the drop box method do not have a secure location to conduct the count, they must meet the count room requirements of WAC 230-15-605.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-355, filed 4/10/07, effective 1/1/08.]

## PLAYER-SUPPORTED JACKPOTS

**WAC 230-15-360 Defining "player-supported jackpot."** "Player-supported jackpot" (PSJ) means a separate contest of chance directly related to the play or outcome of an authorized nonhouse-banked card game.

(1) Only Class F or house-banked licensees may establish a prize fund to operate a PSJ for nonhouse-banked card games.

(2) In PSJs, licensees:

(a) Collect funds from the players' wagers (the pot) for a separate prize; and

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(b) Act only as the custodian of the PSJ funds, including any interest earned on this money; and

(c) Maintain no legal right to the funds, except for administrative fees; and

(d) Must strictly account for all funds.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-360, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-365 Getting approval for player-supported jackpots.** (1) Class F or house-banked licensees must not operate a player-supported jackpot (PSJ) before we approve it in writing.

(2) To get a PSJ approved, licensees must make a written request, including, at least:

(a) A detailed description of the card game associated with the PSJ; and

(b) All rules of play; and

(c) All internal control procedures associated with the PSJ and accounting for funds and prizes; and

(d) The name of the prize fund custodian.

(3) Licensees must get our written approval before making any changes to the PSJ.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-365, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-370 Naming a prize fund custodian for a player-supported jackpot.** (1) Class F or house-banked licensees must name at least one prize fund custodian who is responsible and accountable for safeguarding player-supported jackpot funds, and for disbursing funds to winners.

(2) A prize fund custodian may be an owner, partner, officer, or licensed individual named by the licensee.

(3) The custodian must have signature authority for prize fund bank accounts.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-370, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-375 Posting rules for a player-supported jackpot.** Class F or house-banked licensees must prominently post a sign stating:

(1) How they will distribute player supported jackpot (PSJ) money if they discontinue the PSJ or stop operating the card game; and

(2) Conditions under which prizes may be won; and

(3) Prize amount; and

(4) Cost to participate; and

(5) Administrative fees; and

(6) Any other conditions which may affect the outcome of the game.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-375, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-380 Seeding a player-supported jackpot.** Class F or house-banked licensees may:

(1) Provide up to five thousand dollars seed money from house funds to start a PSJ. Licensees must issue a check or make an electronic bank transfer from the licensee's business account for the seed money to the PSJ account to start the prize fund; and

(2) Licensees may replenish the PSJ as funds are depleted with up to five thousand dollars at a time; and

(3) Recover seed money by having the custodian issue a check or make an electronic bank transfer from the PSJ account to the licensee's business account.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-380, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-385 Collecting funds for a player-supported jackpot.** Class F or house-banked licensees may collect up to two dollars per hand or game from the pot for each player-supported jackpot. Licensees:

(1) Must keep these funds separate from all other fees; and

(2) Must use either the chip rack or drop box method to collect these funds.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-385, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-390 Collecting an administrative fee on the player-supported jackpot.** Class F or house-banked licensees may collect an administrative fee of up to ten percent of the funds collected for a player supported jackpot (PSJ). Licensees must deduct no other expenses from the PSJ account.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-390, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-395 House dealer required for a player-supported jackpot.** Class F or house-banked licensees must use a house dealer for all card games offering a player-supported jackpot (PSJ). No one playing in the PSJ game may deal.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-395, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-400 Accounting for player-supported jackpot funds.** Class F or house-banked licensees must:

(1) Maintain a separate bank account in a bank, mutual savings bank, or credit union in Washington state for holding player-supported jackpot (PSJ) funds; and

(2) Deposit only funds from PSJs into the account; and

(3) Not make payouts from the PSJ funds until licensees have first deposited the funds in the PSJ account. However, licensees may pay out prizes won during the gambling day and deduct administrative expenses before licensees deposit the funds; and

(4) Transfer or deposit the PSJ funds into the PSJ account or with an armored car service no later than the second banking day after the close of business; and

(5) Identify all deposits or transfers of PSJ funds by the type of PSJ fund and date of collection. Licensees must keep the validated deposit receipts or transfer information as a part of their required daily records or have online access to their player-supported jackpot bank accounts; and

(6) Transfer the amount from the PSJ account to the cage or general account before the end of the month if PSJ prizes are paid from the cage or general account. The licensee must keep the transfer information as part of the written records; and

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(7) Reconcile the account balance in their bank statement to the PSJ prize balance on their PSJ fund accrual record each month. "Reconcile" means the licensee must compare the two balances, resolve any differences, and document the comparison and the differences in writing. Licensees must keep the reconciliation as part of their records.

[Statutory Authority: RCW 9.46.070. 10-11-087 (Order 669), § 230-15-400, filed 5/17/10, effective 7/1/10; 09-19-051 (Order 660), § 230-15-400, filed 9/11/09, effective 1/1/10; 07-10-034 (Order 611), § 230-15-400, filed 4/24/07, effective 1/1/08.]

**WAC 230-15-405 Paying out prizes on a player-supported jackpot.** (1) Class F or house-banked licensees must award all player-supported jackpot funds as prizes; and

(2) Cash prizes of two thousand five hundred dollars or less may be paid in cash or chips; and

(3) Prizes not awarded in cash must be paid within twenty-four hours with a check that provides a duplicate copy; and

(4) Licensees must maintain a record of all prizes paid in the format we prescribe; and

(5) When a player wins a prize of five hundred dollars or more, in view of the surveillance camera, the dealer must:

(a) Display the value and suit of each card in the winning hand; and

(b) Count and put in numerical order by suit the remaining cards in the deck to confirm a complete deck; and

(6) Licensees must collect the hand and seal it with a copy of the prize record. Licensees must keep the winning hand and remaining deck on the business premises for seven days.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-405, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-410 Owners, prize fund custodians, and card room employees participating in player-supported jackpots.** (1) Class F or house-banked owners, prize fund custodians, and on-duty card room employees may play in card games that offer a player-supported jackpot (PSJ), but must not share in the winnings of any prize awarded.

(2) Any prizes an owner, prize fund custodian, or on-duty employee may be entitled to under game rules must be divided equally among the other players at the table.

(3) Owners, prize fund custodians, and on-duty card room employees must turn their cards face up at the end of a game so that other players at the table and surveillance may observe their cards if:

(a) They are playing in a game with a PSJ; and

(b) The prize is not based on a predetermined hand, such as four of a kind; and

(c) There is a qualifying hand at the end of a game, such as a "bad beat" hand.

(4) Card room employees that are off duty may win PSJ prizes.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-410, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-415 Removing a player-supported jackpot from play.** (1) If licensees discontinue a PSJ, they must distribute the balance, less any seed money, to players

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within sixty days by offering an approved promotion or tournament of the same card game played to fund the PSJ.

(2) If licensees stop operating card games or fail to maintain a valid card game license, they must immediately distribute all PSJ funds to the Washington State Council on Problem Gambling.

(3) If taxing authorities seize a PSJ account, the licensee must immediately stop offering the PSJ and collecting additional funds for the PSJ until all funds have been replaced in the PSJ account.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-415, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-420 Resolving disputes over player-supported jackpots.** (1) If a dispute arises involving the outcome of a player-supported jackpot (PSJ), Class F or house-banked licensees must:

(a) Preserve the video recording, the winning hand and remaining deck, and all records for the game where the dispute occurred; and

(b) Document all information about the dispute, including:

(i) The names, addresses, and phone numbers of all players, card room staff, and any witnesses involved; and

(ii) The amount of the advertised PSJ; and

(iii) A full description of the circumstances surrounding the dispute; and

(c) Notify us within twenty-four hours.

(2) We will investigate complaints involving PSJ disputes and the director may issue a written decision which is final.

(3) During the course of dispute resolution, we may become the temporary custodian of any prize funds.

(4) Class F or house-banked licensees must not award or advertise the prize amount which is in dispute until it is resolved.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-420, filed 4/10/07, effective 1/1/08.]

## **ADDITIONAL RULES FOR HOUSE-BANKED CARD GAMES**

### **Internal Controls for House-Banked Card Games**

**WAC 230-15-425 Internal controls.** (1) House-banked card game licensees must:

(a) Adopt internal controls in the format we require; and

(b) Ensure that all games are closely controlled and operated in accordance with gambling laws, our rules, and the house-banked card game licensee's internal controls (ICs); and

(c) Follow all ICs at all times; and

(d) Have all ICs available to us at all times at the licensed business premises; and

(e) Have the ICs available to card room employees for their individual functions; and

(f) Ensure that card room employees are knowledgeable in all accounting and internal control procedures for their individual functions and ensure that employees follow the ICs.

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(2) Licensed card room employees must follow the internal control procedures for their individual functions.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-425, filed 4/10/07, effective 1/1/08.]

### **WAC 230-15-430 Internal control requirements.**

#### **General accountability requirements.**

(1) House-banked card game licensees must have a system of internal controls including, at least:

(a) **Accounting controls** - Include the licensee's plan, procedures, and records concerned with the safeguarding of assets and the reliability of financial records. Licensees must design these controls to provide reasonable assurance that:

(i) Transactions are executed with management's general and specific authorization; and

(ii) Transactions are recorded so that financial statements are prepared in conformity with generally accepted accounting principles (GAAP), and so that accountability for assets is maintained; and

(iii) Access to assets is permitted only with management's authorization; and

(iv) Records are compared with existing assets at least annually and appropriate action is taken within five working days to correct any differences; and

(b) **Administrative controls** - Include, at least, the licensee's plan, procedures, and records outlining decision-making processes that lead to authorization of transactions. These must provide for:

(i) Competent personnel with an understanding of internal control procedures; and

(ii) Segregation of incompatible functions so that no employee is in a position to commit and conceal errors or wrongdoings in the normal course of his or her duties.

#### **Designating a general manager.**

(2) The owner, partners, or board of directors for the licensee must designate an individual with overall responsibility for the business, called the "general manager." The general manager may also perform the duties of a gambling operations department manager; and

#### **Establish separate departments or functions.**

(3) Licensees must establish separate departments or functions which must be independent from each other. At a minimum, these must include:

(a) Surveillance;

(b) Security;

(c) Gambling; and

(d) Accounting.

#### **Surveillance department requirements.**

(4) The surveillance department manager must ensure that surveillance employees follow all requirements of the surveillance WACs, including, at least:

(a) Closely and clandestinely observing the operation of the card games, the cashier's cage, and count room; and

(b) Recording video and audio of the activities in the count room; and

(c) Monitoring for cheating, theft, embezzlement, and other illegal activities on the licensed premises; and

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(d) Recording video of unusual or suspected illegal activities; and

(e) Notifying appropriate supervisors and us, within three working days, when they detect cheating, theft, embezzlement, or other illegal activities related to gambling; and

(f) Giving our agents or law enforcement personnel immediate access to the surveillance room; and

(g) Ensuring that each dealer is evaluated to determine if he or she follows all required dealer procedures set out in the house-banked card game licensee's approved internal controls; and

(h) Documenting procedures about how winning wagers, jackpots, or bonus pay outs will be verified; and

(i) Ensuring that all surveillance employees have demonstrated a knowledge of:

(i) Operating surveillance systems; and

(ii) Rules of play and procedures for the games being played; and

(iii) Overall procedures relating to the duties of all employees of the house-banked card room, including dealers, shift managers, floor supervisors, cage cashiers and count team members.

#### **Security department requirements.**

(5) The security department manager must ensure that security employees control:

(a) Transfer of cash and chips to and from the gambling tables, cage, and count room; and

(b) Dealing shoes and new and used cards, when not in use or when held in evidence; and

(c) Disposing of or destroying used cards and dealing shoes, and observing accounting department employees when they destroy damaged chips when removed from service.

#### **Gambling operations department requirements.**

(6) The gambling operations department manager, or general manager, is responsible for house-banked card games and must ensure that:

(a) Dealers operate card games at assigned gambling tables; and

(b) Cards and dealing shoes are properly accounted for when in use on the gambling floor; and

(c) There is adequate supervision on the business premises.

#### **Accounting department requirements.**

(7) The accounting department must be supervised by a person who reports directly to the general manager. The accounting department must, at least:

(a) Implement and monitor accounting controls; and

(b) Control processes in the count room and cashier's cage; and

(c) Supervise the count room personnel and cashier's cage personnel; and

(d) Control the inventory of unused forms; and

(e) Reconcile the used and unused forms; and

(f) Prepare, control, and store records and data we require; and

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(g) Oversee, with the help of the security department, the destruction of damaged chips removed from service.

[Statutory Authority: RCW 9.46.070. 07-10-034 (Order 611), § 230-15-430, filed 4/24/07, effective 1/1/08.]

**WAC 230-15-435 Defining "incompatible functions."** (1) "Incompatible functions" means job duties that place an employee or department in a position to commit and conceal errors or wrongdoings in the normal course of his or her duties.

(2) Anyone who records a transaction and has access to the assets related to that transaction is in a position to commit and conceal errors or wrongdoings. (Examples: An employee who writes checks should not reconcile the bank account; an employee who transports funds should not have access to keys for locks securing the funds or to surveillance recordings of the transaction.)

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-435, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-440 Modifying internal controls and changing card games offered.** (1) House-banked card game licensees must submit proposed changes to their internal controls in writing to us and receive our written approval before making any changes.

(2) Licensees may change the card games they offer by submitting the change to their internal controls in writing and getting an initial verbal or written approval from us. Staff reviews and verifies the changes on their next visit to the card room.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-440, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-445 Defining "gambling operations department manager."** "Gambling operations department manager" means a card room employee who is responsible for managing all card game operations.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-445, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-450 Defining "shift manager."** "Shift manager" means a card room employee who is responsible for all card game operations during a given shift. The shift manager reports to the gambling operations department manager.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-450, filed 4/10/07, effective 1/1/08.]

### **Operating House-Banked Card Games**

**WAC 230-15-453 Using match play or similar coupons in gambling promotions.** Match play coupons may be offered as gambling promotions with the following restrictions:

(1) The coupons have no value. Players cannot "double down" on the "match play" portion of the wager.

(2) Players may double down on the chip portion of the wager, not to exceed maximum wagering limits.

(3) A match play coupon is not considered part of the player's wager in determining the amount wagered. Match

play coupons may be used by players who wager the maximum allowed.

(4) A match play coupon is itself a gambling promotion and cannot be awarded as a prize in a promotional contest of chance, as authorized in RCW 9.46.0356, or as a prize on a card game.

(5) Restrictions on the use of coupons must be disclosed on the coupon.

(6) Expiration dates must be included on the coupon.

(7) Match play and other similar type coupon promotions such as Lucky Bucks and Free Ace, etc., may be given to participants in a card tournament as long as they are given to all participants and are not awarded based on the outcome of the tournament.

[Statutory Authority: RCW 9.46.070. 08-11-044 (Order 628), § 230-15-453, filed 5/14/08, effective 7/1/08.]

**WAC 230-15-455 Keeping funds to pay prizes, progressive jackpot prizes, and odds-based wager prizes.** (1) House-banked card game licensees must ensure that they have sufficient funds available to pay prizes, progressive jackpot prizes and odds-based wager prizes. An "odds-based wager" means a wager where the player wins an amount over and above the amount he or she wagered if a fixed pattern or combination of cards occurs, for example, a royal flush, four aces, or a pair.

(2) Licensees must not offer card games until they have met all of these requirements:

(a) Progressive jackpot prizes.

(i) Keep a separate bank account for progressive jackpot prizes. The account must be kept in a bank, mutual savings bank, or credit union located in Washington state;

(ii) Deposit all funds accrued for progressive jackpot prizes at least weekly; and

(iii) If the prize bank account is reduced below the level required, licensees must immediately stop operating games until they are in compliance.

(b) Odds-based wager prizes.

(i) Licensees offering more than one individual odds-based wager prize greater than twenty-five thousand dollars must keep an amount equal to the second highest odds-based wager prize offered in a bank, mutual savings bank, or a credit union located in Washington state; or possess a verifiable line of credit from a Washington state financial institution for at least the amount required; and

(ii) Use the highest wager they allow to calculate the individual odds-based wager prize amount to determine the amount for this requirement.

(3) Licensees may limit pay outs by using table and/or individual player aggregates.

(4) A licensee's failure to keep funds as required in this rule is prima facie evidence of defrauding the public and a violation of RCW 9.46.190.

[Statutory Authority: RCW 9.46.070. 09-15-070 (Order 654), § 230-15-455, filed 7/13/09, effective 1/1/10; 07-09-033 (Order 608), § 230-15-455, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-460 Supervision requirements for house-banked card rooms.** (1) House-banked card game licensees must have at least one floor supervisor for each gambling area. Each supervisor may supervise up to seven

tables. We must approve the arrangement of tables in the internal controls.

(2) Licensees must have two levels of supervision present on the business premises if more than ten tables are open. Poker tables operated in a separate gambling area are not included in the calculation of levels of supervision.

(3) A card room employee may act as a dealer and a supervisor during the same shift as long as he or she does not sign forms as both the dealer and the supervisor.

[Statutory Authority: RCW 9.46.070. 08-11-044 (Order 628), § 230-15-460, filed 5/14/08, effective 7/1/08; 07-09-033 (Order 608), § 230-15-460, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-465 Dealing all house-banked card games from a dealing shoe.** House-banked card game licensees must deal all house-banked card games from a dealing shoe or a shuffling device we have approved.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-465, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-470 Numbering gambling tables.** House-banked card game licensees must permanently number each gambling table.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-470, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-475 Tips from players and patrons to card room employees.** (1) House-banked card game licensees may allow selected employees to accept tips from players or patrons.

(2) If licensees allow house-banked card game dealers to accept tips, licensees must ensure that tips are controlled so that only authorized employees receive tips, that tips are properly accounted for, and that tips are maintained separately from all other gambling funds.

(3) Cage cashiers may accept tips. They must locate their tip containers outside the cage enclosure. Players or patrons must deposit the tips directly into the container. A shift or floor supervisor, security, or an accounting manager who does not work as a cashier must verify the tips cage cashiers receive.

(4) Employees directly concerned with management, supervision, accounting, security, or surveillance must not ask for, accept, or share any tip originating from players or patrons; however, this restriction does not apply to poker "floor supervisors."

(5) House-banked card game licensees must:

(a) Establish and implement procedures for the accounting of tips received by authorized card room employees.

(b) Fully document the procedures in their internal controls and describe in detail any methods used to allocate tips.

(c) Establish procedures necessary to ensure that the floor supervisor and surveillance observe card room employees accepting tips. Procedures must include an overt display of received tips, for example tapping the table with the tip before placing it in the tip container.

(6) Employees must:

(a) Drop all tips into a locked tip container which prevents the removal of tips except by unlocking the container. Tips may be accumulated on the table, exchanged into higher denomination chips, and then deposited into the tip container.

Tip containers must remain under camera coverage of the closed circuit television system at all times; and

(b) Keep all tips received or pool them with tips of all card room employees according to the licensee's internal controls; and

(c) Redeem all tips received under surveillance at the cashier's cage; and

(d) Accurately report all tips to their employer as described in the licensee's internal controls.

(7) Licensees may determine whether employees must retain or pool tips among employees. Employees must redeem all pooled tips under surveillance at the cashier's cage, count room, or a gaming table.

[Statutory Authority: RCW 9.46.070. 09-11-083 (Order 644), § 230-15-475, filed 5/18/09, effective 7/1/09; 07-21-116 (Order 617), § 230-15-475, filed 10/22/07, effective 1/1/08.]

#### **WAC 230-15-480 Commissions on winning hands.**

The only direct or indirect fee (commission) licensees may collect is a maximum of five percent from a winning hand in house-banked card games.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-480, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-485 Electronic facsimiles of cards allowed.** (1) House-banked card game licensees may use electronic card facsimiles approved by the director or the director's designee in house-banked card games.

(2) Card room employees must operate the system.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-15-485, filed 10/22/07, effective 1/1/08; 07-09-033 (Order 608), § 230-15-485, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-490 Limiting pay outs for odds-based wagers.** (1) House-banked card game licensees may create pay out limits for odds-based wagers made in card games.

(2) Licensees may limit the pay out for odds-based wagers if we approve all pay out limits and their procedures for computing limits.

(3) Individual players' winnings must not be less than the higher of:

(a) The maximum wager allowed for the game times the highest odds offered up to fifty-to-one (50 to 1). For example: If the maximum wager is one hundred dollars (\$100) and the odds are fifty-to-one (50 to 1); then the per player limit is five thousand dollars ( $\$100 \times 50 = \$5,000$ ); or

(b) The house minimum required wager for the game times the highest odds offered for any wager in the game. The "minimum required wager" means the least amount a player must wager in order to win. For example: If the minimum required wager is ten dollars (\$10) and the maximum odds are one-thousand-to-one (1,000 to 1); then the per player limit is ten thousand dollars ( $\$10 \times 1,000 = \$10,000$ ).

(4) Table limits (aggregate pay out) must not be less than two times the individual player limit, as computed in subsection (3) of this section; and

(5) Licensees must clearly disclose all procedures for computing any per player or table limit (aggregate pay outs). This explanation must be available to players in a brochure or other printed material.

(10/12/12)

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-490, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-491 Limiting payouts to dealers for tip or "toke" wagers for odds-based payouts.** (1) A "toke" is a wager made by a player as a tip for the dealer and it is treated as a separate bet.

(2) House-banked card game licensees may:

(a) Establish a separate, individual limit on the amount of the payout on a toke for odds-based payouts within the requirements of WAC 230-15-490; and

(b) Restrict the types of wagers tokens are allowed on and the amounts of tokens.

(3) Tokens are not included in the calculation of the player or table aggregate payout limits.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-15-491, filed 10/22/07, effective 1/1/08.]

**WAC 230-15-495 Opening tables.** Licensees must clearly mark the outside of the chip tray with the gambling table number which it matches. When opening gambling tables, house-banked card game licensees must follow these steps:

(1) A floor supervisor must unlock the table inventory container (chip tray) and take out the table inventory slip (opener); and

(2) The floor supervisor and the dealer assigned to the gambling table must:

(a) Count the contents of the chip tray; and

(b) Verify the count against the opener; and

(3) The dealer and the floor supervisor must then sign the opener, confirming the information on the opener is correct; and

(4) The dealer must immediately deposit the opener in the drop box attached to the gambling table; and

(5) If there is any discrepancy between the amount of gambling chips and coins counted and the amount of the chips and coins recorded on the opener:

(a) The floor supervisor must report immediately to the shift manager, if on duty or when the manager arrives; and

(b) The floor supervisor on duty must complete and sign a notification of error slip; and

(c) The dealer and security must verify and sign the notification of error slip; and

(d) Security must transport the duplicate of the notification of error slip to the accounting department or the cashier's cage; and

(e) The dealer must drop the original notification of error slip in the drop box attached to the gambling table; and

(f) The accounting department must keep a copy of the notification of error slip in a log in the format we require; and

(g) Licensees must notify us within twenty-four hours of errors of two hundred dollars or more, or if there is a pattern of shortages.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-495, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-500 Accounting for table inventory.** (1) House-banked card game licensees must establish procedures to ensure proper accounting for chips and coins stored at gambling tables, known as the "table inventory."

(2) Licensees must not add or remove chips or coins from the table inventory except:

- (a) In exchange for cash from players; or
- (b) To pay winning wagers and collect losing wagers made at the gambling table; or
- (c) In exchange for chips received from a player having an equal total face value (known as "coloring up" or "coloring down"); or
- (d) In compliance with fill and credit procedures.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-500, filed 4/10/07, effective 1/1/08.]

#### **WAC 230-15-505 Selling gambling chips to players.**

House-banked card game licensees must accurately account for all chips and cash when they sell chips to players. Licensees must sell chips only at the gambling table. The dealer must:

- (1) Spread the cash on the top of the gambling table so that the player, floor supervisor, and surveillance have a full view of the sale;
- (2) Announce the amount loudly enough to be heard by the player and the floor supervisor assigned to the table;
- (3) Have the floor supervisor verify all cash sales of one hundred dollars or more;
- (4) Prove the denomination and the number of chips to the player, floor supervisor, and surveillance before giving the chips to the player. Licensees must include their method for proving chips in their internal controls; and
- (5) After giving the chips to the player, immediately remove the cash from the table top and put it in the drop box attached to the table.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-505, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-510 Transferring chips and coin to the gambling tables.** House-banked card game licensees must closely control and document all transfers of chips or coin to the gambling tables in a manner that ensures accountability and provides adequate security.

- (1) All transfers of chips or coin must be to or from the cashier's cage.
- (2) Chips or coin must not be transferred from one gambling table to another.
- (3) All transfers of chips or coin must be made using requests for fill slips and fill slips or request for credit slips and credit slips.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-510, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-515 Requirements for request for fill/credit slips.** A request for fill/credit slip must be:

- (1) A two part form; and
- (2) Completed in the format we require; and
- (3) Secured so that only a floor supervisor has access to the slip.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-515, filed 4/10/07, effective 1/1/08.]

#### **WAC 230-15-520 Requirements for fill/credit slips.**

- (1) Each fill/credit slip must be a consecutively prenumbered

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three-part form in the format we require. We may authorize use of a computer based accounting system which includes a nonrepeating consecutive numbering system, which fulfills the controls and safeguards of the manual system. House-banked card game licensees must:

- (a) Control and account for each series of fill/credit slips they receive; and
  - (b) Ensure the fill/credit slip dispenser is secured in the cashier's cage; and
  - (c) Keep each series of fill/credit slips in a locked dispenser that will permit an individual fill/credit slip in the series and its copies to be written on simultaneously while still located in the dispenser, and will discharge the original and duplicate while the triplicate remains in a continuous, unbroken form in the dispenser; and
  - (d) Use the forms in consecutive order and account for all forms; and
  - (e) Assign an accounting department employee to be responsible for controlling and accounting for the unused supply of fill/credit slips, placing fill/credit slips in the dispensers, and removing the triplicate copy from the dispensers. Only the accounting department employee may have access to the forms in the dispenser.
- (2) If there is a paper jam, the licensee may allow a security department employee access to the dispenser to clear it.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-15-520, filed 10/22/07, effective 1/1/08; 07-09-033 (Order 608), § 230-15-520, filed 4/10/07, effective 1/1/08.]

#### **WAC 230-15-525 Completing the fill process.**

##### **Requesting a fill.**

- (1) A floor supervisor must prepare a request for fill slip to authorize the cage cashier to perform a fill for the distribution of chips or coin to gambling tables.
- (2) The floor supervisor and security must sign the request for fill slip at the gambling table to which the chips or coin are to be delivered.

##### **Transporting requests for fills.**

- (3) Security must transport the completed original request for fill slip directly to the cashier's cage.
- (4) The dealer must place the duplicate copy of the request for fill slip face up on the gambling table. It must remain there until the chips or coin are received.

##### **Filling a request.**

- (5) The cashier must prepare a fill slip when a request for fill slip is received.
- (6) The cashier must sign the fill slip when finished preparing the fill.
- (7) A security department employee must compare and verify the request for fill slip to the fill slip and the amount of the fill. Security must sign the fill slip.
- (8) Security must transport the chips, coin, and the original and duplicate of the fill slip to the gambling table.
- (9) The cashier retains the original of the request for fill slip.

**Receiving the fill.**

(10) On receiving chips or coin, the dealer verifies the amount of the fill and signs the fill slip.

(11) The floor supervisor verifies the amount of the fill and signs the fill slip.

(12) After the dealer and floor supervisor sign the fill slip, security must observe that the dealer immediately places the duplicate fill slip and the duplicate request for fill slip in the drop box attached to the gambling table.

(13) Security must return the original fill slip to the cashier.

(14) The cashier must attach the request for fill slip to the original fill slip.

(15) If an error is made on a fill slip, the cage cashier must write "VOID" on the original and duplicate of the slip, and sign the slip.

(16) At the end of the day or shift, the cage cashier must forward all slips to either:

(a) The count team for agreement with the duplicate of the fill slip and duplicate of the request for fill slip removed from the drop box. After the count, all fill slips and request for fill slips must be forwarded directly to the accounting department for agreement with the triplicate of the fill slip; or

(b) The accounting department for agreement with the duplicate fill slip and duplicate of the request for fill slip removed from the drop box and the triplicate of the fill slip.

[Statutory Authority: RCW 9.46.070, 07-09-033 (Order 608), § 230-15-525, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-530 Completing the credit process.****Requesting credit.**

(1) The floor supervisor must prepare a request for credit to authorize the cage to prepare a credit slip for removing gambling chips and coin to the cashier's cage.

(2) The floor supervisor and a security employee must sign the request for credit slip at the gambling table from which the gambling chips and coin are being removed.

**Transporting requests for credit.**

(3) A security department employee verifies the chips and coin to the request for credit and then transports the original of the request for credit and the gambling chips or coin removed from the gambling table directly to the cashier's cage.

(4) The dealer must place the duplicate copy of the request for credit face up on the gambling table. The form must not be removed until a credit slip is received from the cashier's cage.

**Filling a request for credit.**

(5) The cashier must prepare a credit slip in the format we require whenever gambling chips or coin are removed from the gambling tables to the cashier's cage.

(6) The cashier must compare the request for credit to the chips or coin and sign the credit slip.

(7) A security department employee must compare and verify the request for credit to the credit slip and sign the credit slip.

(10/12/12)

(8) Security must transport the credit slip to the gambling table.

(9) The cashier retains the original of the request for credit.

**Receiving the credit.**

(10) On receiving the request for credit slip, the dealer and the floor supervisor verify the amount of the credit slip and sign the credit slip.

(11) After the dealer and floor supervisor sign the credit slip, the security employee must observe that the dealer immediately places the duplicate credit slip and the duplicate request for credit in the drop box attached to the gambling table from which the gambling chips or coin were removed.

(12) The security department employee must return the original credit slip to the cashier's cage. The cage cashiers must keep together and control the original of the credit slip and request for credit.

(13) If an error is made on the credit slip, the cage cashier must write "VOID" on the original and duplicate of the slip and sign the slip.

(14) At the end of the day or shift, the cage cashier must forward all slips to either:

(a) The count team for agreement with the duplicate of the credit slip and duplicate of the request for credit removed from the drop box. After the count, all credit slips and requests for credit must be forwarded to the accounting department for agreement with the triplicate; or

(b) The accounting department for agreement with the duplicate credit slip and duplicate request for credit slip removed from the drop box and the triplicate of the request for credit slip.

[Statutory Authority: RCW 9.46.070, 07-09-033 (Order 608), § 230-15-530, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-535 Closing tables.** When closing tables, house-banked card game licensees must follow these steps:

(1) The floor supervisor and the dealer assigned to the gambling table must count the gambling chips and coins. The surveillance department must monitor and record the entire count and closure process.

(2) The floor supervisor assigned to the gambling table must record the chips and coins counted on a table inventory slip.

(3) Licensees must use consecutively prenumbered three-part forms for table inventory slips. Table inventory slips must be in the format we require and have three parts:

(a) The original (the closer); and

(b) The duplicate (the opener); and

(c) The triplicate (which is transported by security to accounting).

(4) The floor supervisor and the dealer assigned to the gambling table must sign the table inventory slip, confirming the information recorded at the time of closing.

(5) After both the dealer and floor supervisor have signed the closer, the dealer must deposit the closer in the drop box attached to the table. The dealer must place the opener face up in the chip tray, arranged so that it is clearly visible. Then the floor supervisor must lock the clear chip tray cover. The chip trays must be under recorded surveillance at all times.

(6) A security department employee must take the triplicate of the table inventory slip to the accounting department.

(7) If an error is made on the closer, the preparer must write "VOID" on all copies of the form and forward them to the accounting department.

(8) If the locked chip trays are transported to the cashier's cage at the end of each gambling day, a cage cashier must determine that all locked chip trays have been returned to the cage and are adequately secured.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-15-535, filed 10/22/07, effective 1/1/08; 07-09-033 (Order 608), § 230-15-535, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-540 Notifying the commission of card game interruptions.** House-banked card game licensees must notify us in writing if they interrupt operations of card games for more than seven days. Licensees must:

- (1) Notify us within three days of the interruption; and
- (2) Include the reason for the interruption; and
- (3) Include the estimated date card games will resume.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-540, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-545 Interruption of card games for more than seven days.** (1) If a house-banked card game licensee interrupts card game operations for more than seven days, we determine whether a preoperational review and evaluation (PORE) is needed. The licensee must receive our written approval before resuming operations.

(2) The PORE determines whether:

(a) The licensee has an organizational structure that can support their proposed accounting and administrative controls; and

(b) Internal accounting and administrative controls ensure that the licensee closely controls the gambling activities and accurately records financial information; and

(c) The licensee has enough trained staff; and

(d) The physical layout of the card room and supporting functions can handle the proposed accounting and administrative controls.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-545, filed 4/10/07, effective 1/1/08.]

### Cashier's Cages in House-Banked Card Rooms

**WAC 230-15-550 Closely controlling money.** House-banked card game licensees must closely control and keep records documenting all receipts and disbursements of cash, cash equivalents, chips, and coin related to the operation of card games.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-550, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-553 Defining "cash equivalent."** "Cash equivalent" means a:

- (1) Treasury check; or
- (2) Personal check; or
- (3) Traveler's check; or
- (4) Wire transfer of funds; or
- (5) Money order; or
- (6) Certified check; or

(7) Cashier's check; or

(8) Check drawn on the licensee's account payable to the patron or to the licensee; or

(9) Voucher recording cash drawn against a credit card or debit card.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-15-553, filed 1/14/08, effective 2/14/08.]

**WAC 230-15-555 Cashier's cage design and structure.** (1) House-banked card game licensees must:

(a) Locate on, or immediately adjacent to, the gambling floor a physical structure to house the cashier and act as a cashier's cage; and

(b) Design, construct, and operate the cashier's cage to provide maximum security and accountability for funds.

(2) The cage must include, at a minimum:

(a) An enclosed structure with openings through which gambling chips, checks, cash, records, documents, and other such items can be passed;

(b) Manually triggered silent alarm systems connected directly to the surveillance room(s) of the closed circuit television system or an alarm monitoring agency; and

(c) A locked door, which the surveillance department monitors access to with closed circuit television.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-555, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-560 Operating the cashier's cage.** (1) House-banked card game licensees must have a cashier's cage used for securing and accounting for all chips and monies in the card room portion of the business premises. Licensees must ensure that their cage cashiers, at least:

(a) Maintain the cage inventory including currency, coin, player checks, gambling chips, forms, documents, and records normally associated with the operation of a cage; and

(b) Receive gambling chips, cash, checks, and other cash equivalents from players in exchange for currency or coin or for check consolidations, total or partial redemptions, or substitutions; and

(c) Receive cash or chips from the count room; and

(d) Perform functions necessary to ensure accurate accountability of funds and chips consistent with these requirements, including, at least:

(i) Reconciling the total closing inventory with the total opening inventory; and

(ii) Receiving request for fill slips in exchange for issuing fill slips and requested chips or coin; and

(iii) Receiving chips or coins removed from gambling tables in exchange for issuing a credit slip; and

(iv) Receiving documents with signatures that ensure the effective segregation of duties; and

(v) Counting and recording the face value of each cage inventory item on a cashier's count sheet, along with the total opening and closing inventories, at the end of each of their outgoing shifts; and

(vi) Signing, at their incoming and outgoing shift, the cashier's count sheet and the cage inventory count sheet, attesting to accuracy of the count; and

(vii) Preparing the overall cage reconciliation and accounting records; and

(viii) Forwarding, at the conclusion of the daily gambling activity, copies of the cashier's count sheet, cage inventory count sheet, and related documents to the accounting department for reconciling the agreement of opening and closing inventories, notification of error slips, and the agreement of amounts on other forms, records, and documents recording transactions.

(2) Licensees may sell merchandise items out of the cashier's cage as long as they have a separate bank and receipting system for the sale and accounting of these items.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-560, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-565 Access and entrance to cashier's cage.** (1) House-banked card game licensees must limit entry to the cashier's cage to authorized personnel. Licensees must place on file with the accounting department the names of all persons:

- (a) Authorized to enter the cage; and
  - (b) Who have the combination, keys, or the mechanism to open the locks to the entrance of the cage; and
  - (c) Who have the ability to operate the alarm systems.
- (2) Licensees must keep a sign-in log in the format we require of all persons accessing the cashier's cage.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-565, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-570 Cashier's cage bank requirements.** (1) House-banked card game licensees must keep the cashier's cage on an imprest basis. "Imprest basis" means the cage must replenish funds on a regular basis to maintain exactly the amount of outgoing cash, chips, or coin (expenditures) minus the amount of funds added.

(2) The accounting department must review expenditures and replenishments.

(3) Licensees who have demonstrated the ability to operate cage activities properly may request our approval to operate on a float basis. "Float basis" means the cage may adjust cash inventory as necessary.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-570, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-575 Separate imprest bank allowed for nonhouse-banked card games.** House-banked card game licensees operating both house-banked and nonhouse-banked games may sell chips for poker games through an imprest bank other than the cashier's cage. The bank must be located within the cashier's cage or another location approved in the internal controls.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-575, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-580 Accepting checks at the cashier's cage.** (1) House-banked card game licensees may accept checks from players as explained in WAC 230-06-005 and must meet the following additional requirements:

(a) Licensees may only accept checks from players at the cashier's cage; and

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(b) Before cashing the check, the cage cashier must examine the player's identification to confirm the player's identity; and

(c) The cage cashier must:

(i) Endorse the check "for deposit only" to the licensee's bank account; and

(ii) Initial the check; and

(iii) Date and time stamp the check; and

(iv) Verify that the player is not listed on the daily returned check report. If licensees use a check guarantee and collection service, the licensee may disregard this subsection; and

(v) Exchange the check for currency and coin in the amount for which the check is drawn, minus any applicable fees; and

(vi) Forward all player checks to the main bank cashier.

(2) Before accepting a traveler's check from a player, the cage cashier must:

(a) Require the player to countersign the traveler's check in the cashier's presence; and

(b) Compare the countersignature with the original signature on the traveler's check; and

(c) Examine the traveler's check for any signs of tampering, forgery, or alteration; and

(d) Perform any other procedures that the issuer of the traveler's check requires in order to indemnify the acceptor against loss.

(3) Licensees must deposit all checks received into their bank account, within two banking days after receipt. Checks deposited to an armored car service within two banking days meet this requirement.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-580, filed 4/10/07, effective 1/1/08.]

### Drop Boxes in House-Banked Card Rooms

**WAC 230-15-585 Using drop boxes.** (1) House-banked card game licensees must use a drop box to collect all cash, chips, coins, requests for fill, fill slips, requests for credit, credit slips, and table inventory forms.

(2) The dealer or the floor supervisor must deposit these items in the drop box.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-585, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-590 Transporting drop boxes.** (1) When transporting drop boxes, house-banked card game licensees must have one security employee and one gambling operation employee transport all drop boxes removed from the gambling tables directly to the count room and secure them there. The security employee must notify the surveillance department when transport begins.

(2) If drop boxes are removed from gambling tables at times other than the close of the gambling day, the persons removing drop boxes must remove them during a shift change. These persons must prepare a table inventory slip as required in WAC 230-15-535, and the incoming and outgoing supervisors must verify the inventory and sign the table inventory slip.

(3) Count team members may pull and transport the drop boxes to the count room for the count process if:

- (a) The gambling operation is closed; and
- (b) The card room entrances/exits are locked; and
- (c) Security supervises the transport.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-590, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-595 Storing drop boxes not attached to tables in the count room.** House-banked card game licensees must store all drop boxes not attached to a gambling table in the count room in an enclosed storage cabinet or trolley with two separately keyed locks. The security department must keep and control keys to the first lock and the gambling operation department must keep and control the keys to the second lock.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-595, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-600 Storing drop boxes on closed gambling tables.** House-banked card game licensees may store drop boxes on closed gambling tables if recorded surveillance covers the entire area.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-600, filed 4/10/07, effective 1/1/08.]

### Count Requirements in House-Banked Card Rooms

**WAC 230-15-605 Requirements for count rooms.** (1) House-banked card game licensees must have a secured area, called a "count room," for counting the contents of drop boxes.

(2) Licensees must design and construct the count room to provide maximum security for the materials housed there and for the activities conducted there. The count room must be fully enclosed with only one entry. Licensees must also have:

(a) A door with at least one lock securing the count room door. The security department must keep and control the key or combination to the door. If a double locking system is used, the gambling operation department must keep the key to the second lock; and

(b) A sign-out procedure for all authorized keys used for the count process; and

(c) An alarm device connected to the entrance of the count room so that opening the door signals the surveillance employees monitoring the closed circuit television system.

(3) In the count room, licensees must have:

(a) A table of clear glass or similar material with a base that does not obstruct viewing for the emptying, counting, and recording of the contents of the drop boxes (the "count"); and

(b) Closed circuit television cameras and microphones that capture effective and detailed video and audio monitoring of the entire count process; and

(c) A sign posted in the count room or at the entrance that states audio recordings are occurring within the count room at all times.

(4) Licensees must keep a count room sign-in log in the format we require.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-605, filed 4/10/07, effective 1/1/08.]

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### WAC 230-15-610 Preparing to conduct a count. (1)

House-banked card game licensees must assign employees to conduct the count. The count team must be made up of three or more licensed employees. The count team must not include anyone who works in the surveillance department or whose duties included preparing, approving, or reviewing records used in that specific count process.

(2) Licensees must accurately count and record the contents of drop boxes to ensure the proper accountability of all gambling chips, coin, and currency. The count must be done at least once each gambling day.

(3) If a cage cashier completes the opener, closer, fills, and credits portions of the master game report, the cashier sends the original master game report to the count team for completion. The cage cashier must immediately send a copy directly to the accounting department.

(4) A count team member must notify the surveillance room observer that the count is about to begin. The surveillance employee must then make a video and audio recording of the entire count process.

(5) Before opening drop boxes, the count team must lock the door to the count room. Licensees must permit no person to enter or leave the count room, except for a normal work break or an emergency, until the count team has completed the entire counting, recording, and verification process for the contents of drop boxes.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-610, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-615 Conducting the count.** (1) The contents of drop boxes must not be combined before the count team separately counts and records the contents of each box; and

(2) As each drop box is placed on the count table, a count team member must announce the game, table number, and shift, if applicable, loudly enough to be heard by all persons present and to be recorded by the audio recording equipment; and

(3) A count team member must empty the contents onto the count table; and

(4) Immediately after the contents are emptied onto the count table, a count team member must display the inside of the drop box to the closed circuit television camera, and show it to at least one other count team member to confirm that all contents of the drop box have been removed. A count team member must then lock the drop box and place it in the drop box storage area; and

(5) Count team member(s) must separate the contents of each drop box into separate stacks on the count table by denominations of coin, chips, and currency and by type of form, record, or document; and

(6) At least two count team members must count, either manually or mechanically, each denomination of coin, chips, and currency separately and independently. Count team members must place individual bills and coins of the same denomination on the count table in full view of the closed circuit television cameras, and at least one other count team member must observe and confirm the accuracy of the count orally or in writing; and

(7) As the contents of each drop box are counted, a member of the count team must record the total amount of coin,



chips, and currency counted (the drop) on the master games report; and

(8) If a cage cashier has recorded the opener, closer, fill slips, and credit slips on the master game report before the count, a count team member must compare the series numbers and totals recorded on the master game report to the fill slips, credit slips, and table inventory slips removed from the drop boxes, confirm the accuracy of the totals, and must record, by game and shift, the totals we require on the master game report. Otherwise, the count team must complete all required information on the master game report; and

(9) The accounting department may complete the win/loss portions of the master game report independently from the count team if this is properly documented in the approved internal controls.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-615, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-620 Concluding the count.** (1) After the count team finishes their count, the cage cashier or accounting department employee must verify the contents of the drop boxes.

(2) In the presence of the count team and before looking at the master game report, the verifier must recount the cash, either manually or mechanically.

(3) The verifier must sign the master game report verifying that the cash count is accurate.

(4) Each count team member must sign the report attesting to the accuracy of the information recorded.

(5) After the report is signed, the original master game report must be taken directly to the accounting department, along with the requests for fills, the fill slips, the requests for credit, the credit slips, and the table inventory slips removed from drop boxes. The cage cashiers must not be allowed access to any of these records.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-620, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-625 Accounting department review of the count.** (1) On a daily basis, the accounting department must:

(a) Have a card room employee with no recording responsibilities compare a sample of originals and copies of the day's master game report, requests for fill, fill slips, requests for credit, credit slips and table inventory slips for agreement with each other and, if applicable, to triplicates or stored data; and

(b) Review a sample for the appropriate number and propriety of signatures; and

(c) Account for the originals and copies by series numbers, if applicable; and

(d) Test for proper calculation, summarization, and recording; and

(e) Subsequently record in monthly records; and

(f) Keep and control the originals and copies.

(2) The accounting department must report discrepancies immediately to us for investigation.

(3) If the accounting department does not work on week-ends or federal or state holidays, they must complete these reviews on the next day that they work.

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[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-625, filed 4/10/07, effective 1/1/08.]

### Securing House-Banked Card Room Keys

**WAC 230-15-630 Restricting access and controlling keys.** House-banked card game licensees must use keys to control access to restricted areas of the business premises.

(1) Licensees must install and keep key control boxes that, at least:

(a) Are constructed of metal with a minimum of one key-lock mechanism. We permit coded key boxes or combination key boxes; and

(b) Are attached to a permanent structure without the hardware used to attach the key box being visible; and

(c) Are tamper proof; and

(d) Store keys so that they are identifiable, have identification labels, and are displayed in numeric or alphabetic order; and

(2) Licensees may decide the location of key control boxes, but the location must not allow an individual to gain access to a restricted area that he or she would not otherwise be authorized to enter.

(3) If licensees locate key boxes in restricted areas, persons who are not authorized to enter those areas must give their key to the key box to an authorized person. The authorized person must then only open the key box in the presence of the unauthorized person or while under camera coverage.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-630, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-635 Electronic key control systems.** House-banked card game licensees may use electronic key control systems if we review and approve them in writing.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-635, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-640 Keeping individual key control boxes for departments.** (1) House-banked card game licensees must keep individual key control boxes for at least these departments:

(a) Gambling operations;

(b) Accounting;

(c) Security; and

(d) Surveillance.

(2) Licensees must:

(a) Document in their approved written internal controls how they will keep the keys or combinations to each key control box secure; and

(b) Limit access to key control boxes to the licensed card room employee(s) responsible for the overall supervision or management of the department for which the box is kept. The employee(s) must keep this key or combination in their possession while gambling is being conducted; and

(c) Keep any duplicate keys to the key control boxes in the master key control box.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-640, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-645 Keeping a key control log.** House-banked card game licensees must keep a key control log in

the format we require to record the use and return of keys used to control access to restricted areas.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-645, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-650 Keys for the gambling operations department.** In the gambling operations department, the key control box must include, at least, the key(s) to:

- (1) Each pit podium; and
- (2) Drawers and other locking cabinets located in each designated gambling area podium; and
- (3) Remove the cover from the chip trays; and
- (4) The second lock on the enclosed storage cabinet or trolley used to store or transport all drop boxes removed from the gambling tables; and
- (5) All jackpot pay out boxes included with authorized card games; and
- (6) All control boxes used to maintain authorized card games; and
- (7) Other areas included in the approved internal controls.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-650, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-655 Keys for the security department.** In the security department, the key control box must include key(s) to:

- (1) The lock to the count room door; and
- (2) The lock that secures the drop boxes to the gambling table; and
- (3) The first lock on the enclosed storage cabinet or trolley used to store or transport all drop boxes; and
- (4) The storage cabinet(s) or other secure facility used to store the card inventory including decks not yet placed in play and decks removed from play and waiting to be canceled or destroyed; and
- (5) The main entry or access door of the card room; and
- (6) Other areas included in the approved internal controls.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-655, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-660 Keys for the accounting department.** (1) The accounting department key control box must include the key(s) to:

- (a) The lock securing the contents of the drop boxes; and
- (b) The rear of the locked dispenser used to store the triplicate of the fill/credit slips in a continuous, unbroken form; and
- (c) The door to the cashier's cage; and
- (d) Reset the lock to the drop boxes; and
- (e) Other areas included in the approved internal controls; and
- (2) The cashier's cage key control box must include key(s) to:
  - (a) Each cashier's window drawer; and
  - (b) The chip drawer or fill bank; and
  - (c) The vault and/or the safe; and
  - (d) The door to the cashier's cage; and

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(e) The front of the locked dispenser used to store the triplicate of the fill/credit slips in continuous, unbroken form; and

(f) The dealer tip boxes; and

(g) Other areas included in the approved internal controls.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-660, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-665 Keys for the surveillance department.** In the surveillance department, the key control box must include keys to:

- (1) The surveillance room; and
- (2) The storage cabinet(s) or locker(s) used to keep surveillance recordings, cards, or other items of evidentiary value or recordings documenting details of jackpot pay outs.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-665, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-670 Keeping a master key control box.**

(1) House-banked card game licensees may keep a master key control box with access strictly limited to the owner(s), general manager, or other person(s) authorized by the owner.

(2) Keys in this key control box may include:

- (a) Extra keys for the department key boxes and restricted areas; and
- (b) Other keys included in the licensee's approved internal controls.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-15-670, filed 10/22/07, effective 1/1/08; 07-09-033 (Order 608), § 230-15-670, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-675 Key control box for the emergency key.** For emergency situations, house-banked card game licensees may keep an additional key control box with a key which can be accessed on a limited basis for the safety of employees. We must preapprove any emergency key control boxes.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-675, filed 4/10/07, effective 1/1/08.]

### Progressive Jackpot Prizes for House-Banked Card Games

**WAC 230-15-680 Operating progressive jackpot prizes.** House-banked card game licensees may operate progressive jackpot prizes with certain approved house-banked card games.

(1) To participate in a progressive jackpot, a player places a separate wager, part of which accrues to the progressively increasing prize.

(2) Manufacturer's game rules determine the winning patterns or combinations of cards.

(3) Licensees must offer a primary jackpot and may have a secondary or reserve jackpot prize.

(4) Licensees must adequately disclose to players the prizes available and how they are won.

(5) Licensees must ensure that they closely control progressive jackpot games and account for all the funds collected.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-680, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-685 Restrictions on progressive jackpots.** House-banked card game licensees operating progressive jackpots must follow these restrictions and procedures:

- (1) Progressive jackpot funds must accrue according to the rules of the game; and
- (2) At each gambling table, licensees must prominently post the amount of the progressive jackpot that players can win; and
- (3) Licensees must record the beginning amount of each progressive jackpot offered, including explanations for any increases or decreases in the prize amount offered. Licensees must keep this documentation with the progressive jackpot records; and
- (4) Licensees may establish a maximum limit on a progressive jackpot prize. If licensees establish a limit, they must make the amount equal to, or greater than, the amount of the jackpot when they imposed the limit. They must prominently post a notice of the limit at or near the game.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-685, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-690 Paying out progressive jackpot prizes.** (1) House-banked card game licensees must immediately pay out verified prizes of five thousand dollars or less.

(2) For verified prizes over five thousand dollars, licensees must immediately pay out a minimum of five thousand dollars and pay the remaining balance within twenty-four hours by check. The player may request that the licensee pay up to the entire prize balance by check. Licensees must then issue a check for the entire prize balance within twenty-four hours.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-690, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-695 Adjusting progressive jackpot amounts.** House-banked card game licensees must not reduce the amount of a progressive jackpot prize accrued or displayed except for the following reasons:

- (1) To reduce the jackpot and the advertised amount by the amount won; or
- (2) To correct an amount displayed incorrectly because of malfunctioning equipment; or
- (3) To correct the display when the amount displayed is greater than the predetermined maximum prize limit; or
- (4) To reduce a reserve or secondary jackpot as long as they record the funds removed as gross receipts and properly documented that in their records; or
- (5) To reduce a reserve or secondary jackpot to recover seed money that was not taken from gross receipts, if they properly document those funds in their records; or
- (6) To reduce the jackpot by the dollar amount they paid for merchandise they award as prizes.
- (7) To reduce a reserve or secondary jackpot to immediately seed a different progressive jackpot if the licensee properly documents this transfer in their records.

[Statutory Authority: RCW 9.46.070, 9.46.0282. 10-17-089 (Order 671), § 230-15-695, filed 8/16/10, effective 1/1/11. Statutory Authority: RCW

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9.46.070. 07-09-033 (Order 608), § 230-15-695, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-700 Merchandise prizes for progressive jackpots.** House-banked card game licensees offering merchandise prizes for progressive jackpots must:

- (1) Own the merchandise prizes and pay for them in full, without lien or interest of others, before they award the merchandise as prizes. If the winner has an option to receive a cash prize instead of the merchandise, licensees may enter into a contract to immediately purchase a merchandise prize after the winner chooses their option; and
- (2) Disclose that they used a specific portion of the jackpot funds to buy merchandise to be awarded as prizes, as well as the specific merchandise prizes to be awarded; and
- (3) Disclose the value of the merchandise they plan to award. This value must be accurate and verifiable; and
- (4) Award the merchandise on the specific outcome of a game and include the outcome in the game rules; and
- (5) Keep detailed records, including the purchase invoice, on premises and make them available for our review.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-700, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-705 Temporarily removing a progressive jackpot from play.** House-banked card game licensees may temporarily remove a progressive jackpot game from play if:

- (1) The licensee submits a written request for removal with their reasons and we approve in writing; and
- (2) The circumstances are beyond the licensee's control or there is other good cause leading to the disruption, for example, remodeling the card room; and
- (3) The licensee notifies players of the disruption and the estimated date when the jackpot will continue.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-705, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-710 Permanently removing a progressive jackpot or a portion of a progressive jackpot from play.** (1) Players have a vested interest in the posted or advertised progressive jackpot prize.

- (2) Licensees must:
  - (a) Submit a detailed distribution plan to us in writing and receive written approval before removing any progressive jackpot prizes from play; and
  - (b) Prominently post a notice and the distribution plan, including if they plan to close the business, at least ten days before they begin the process of removing the jackpot and distributing the funds; and
  - (c) Distribute the funds in one or more of the following ways:
    - (i) Offering the prize on a different house-banked game; or
    - (ii) Offering the prize in an approved free tournament in which funds must be distributed within sixty days from the date of approval; or
    - (iii) Donating the money to the Washington State Council on Problem Gambling.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-710, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-715 Tax authorities seizing all, or a portion, of a progressive jackpot.** If a taxing authority seizes jackpot funds, the house-banked card game licensee must immediately cease operating the progressive jackpot game and collecting funds for the progressive jackpot until the amount that was posted as the prize has been replaced in the bank account. Licensees may either replace reserve or secondary funds that were seized or record the funds as gross receipts.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-715, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-720 Deposit and reconciliation requirements for progressive jackpot prizes.** (1) House-banked card game licensees must deposit all progressive jackpot funds in a separate bank account at least weekly.

(2) Licensees must:

- (a) Keep a record of all deposits; and
- (b) For each progressive prize, identify the deposits by game name and number and dates of collection; and
- (c) Maintain validated deposit slips as part of their records or have online access to their progressive jackpot prize bank accounts.

(3) At the end of the month, licensees must:

- (a) Reconcile the account balance with the bank statement to the progressive jackpot fund balances. "Reconcile" means the licensee must compare the two balances, resolve any differences, and document the comparison and the differences in writing; and
- (b) Keep the reconciliation as part of their records.

[Statutory Authority: RCW 9.46.070. 10-11-087 (Order 669), § 230-15-720, filed 5/17/10, effective 7/1/10; 07-09-033 (Order 608), § 230-15-720, filed 4/10/07, effective 1/1/08.]

### **Records and Recordkeeping for House-Banked Card Games**

**WAC 230-15-725 Keeping all card game records.** House-banked card game licensees must keep and maintain all card game records in the format we require.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-725, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-730 Keeping an accounting system.** (1) House-banked card game licensees must keep and maintain a complete set of accounting records which we have approved before licensure. These records must include all receipts and disbursements of the licensee, including, at least, those related to gambling activities.

### **Revenue, costs, and expenses.**

(2) Licensees must keep legible, accurate, and complete records of all transactions relating to the revenues, costs, and expenses of the gambling operation. Licensees must keep these records in a format that ensures consistency, comparability, and effective disclosure of financial information.

### **Accounting system.**

(3) Licensees must keep an accounting system on a double entry method of accounting with transactions recorded on

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an accrual basis and in conformity with United States' Generally Accepted Accounting Principles (GAAP).

### **Recordkeeping.**

(4) Licensees must keep detailed, supporting, and subsidiary records including, at least:

(a) Records of all players' checks initially accepted, deposited, and returned as "uncollected," and ultimately written off as "uncollectible"; and

(b) Records of investments in property, including, at least, equipment used directly in connection with the gambling operation; and

(c) Records of amounts payable by the gambling operation; and

(d) Records which identify the purchase, receipt, and destruction of all cards and gambling chips used in wagering; and

(e) Records of services provided for the operation of gambling activities, for example, service provided by gambling service suppliers; and

(f) Master game reports that reflect drop and win amounts for each table, for each game. These records must cover at least each period for which the drop boxes are removed, or at the minimum, the period of each gambling day.

### **Copies.**

(5) Licensees must color code any form, record, or document that requires duplicate or triplicate copies.

(6) If forms, records, and documents are required to be inserted into a locked dispenser, the last copy must remain in a continuous unbroken form in the dispenser.

### **Storing documents.**

(7) All forms, records, documents, and stored data required to be kept and controlled must have the title printed on the item, such as "fill slip," "request for fill slip," "credit slip," "request for credit slip," or "reconciliation."

(8) Licensees must keep all records for a period of not less than three years. At least the last six months of gambling records must be available for inspection on the business premises.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-730, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-735 Keeping employee licensing records.** (1) Licensees must keep a records system on the business premises that ensures all applicable employees have met licensing requirements. The records must include:

(a) Employees' names;

(b) Gambling license numbers;

(c) Gambling license expiration dates; and

(d) Photocopies of all current employees' licenses.

(2) Licensees must keep copies of the applications of all employees who have applied for, but have not yet been issued, a license. The records must include:

(a) Temporary employment authorization;

(b) Documentation that the employee has made the required license or transfer fee payment; and

(c) Proof that the employee has followed the ten-day waiting period, if applicable.

(3) Licensees must notify us if a card room employee does not receive a license within sixty days of employment.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-735, filed 4/10/07, effective 1/1/08.]

### **WAC 230-15-740 Preparing required financial statements.**

#### **Definitions.**

(1) The following definitions apply to all subsections of this rule:

(a) "Financial statements" means documents, including, at least: Balance sheet, statement of income, statement of retained earnings or changes in equity, statement of cash flows, and all required notes or disclosures.

(b) "Card room gross receipts" means all receipts from all house-banked and nonhouse-banked card games offered by the house-banked card room.

(c) "Independent" means there is no relationship that may influence a certified public accountant's impartiality and objectivity in rendering services.

#### **Filing with the commission.**

(2) House-banked card game licensees must submit financial statements covering all financial activities of the licensees' business premises for each business year within one hundred twenty days following the end of their business year.

(3) We may authorize a sixty-day extension if a licensee submits a written request explaining the need for the extension.

#### **Audited financial statements - gross receipts of over three million dollars.**

(4) Licensees with house-banked card game gross receipts of more than three million dollars for the business year must hire an independent, certified public accounting firm licensed by the Washington state board of accountancy to audit the licensee's financial statements according to Generally Accepted Auditing Standards (GAAS).

#### **Reviewed financial statements - gross receipts of one to three million dollars.**

(5) Licensees with house-banked card room gross receipts of one to three million dollars for the business year must hire an independent, certified public accounting firm licensed by the Washington state board of accountancy to review the licensee's financial statements according to the Statements on Standards for Accounting and Review Services (SSARS) or audit the licensee's financial statements according to GAAS.

#### **Compiled financial statements - gross receipts of less than one million dollars.**

(6) Licensees with house-banked card room gross receipts of less than one million dollars for the business year must hire an independent, certified public accounting firm licensed by the Washington state board of accountancy to

compile the licensee's financial statements according to SSARS or audit the licensee's financial statements according to GAAS. This compilation must include all required notes or disclosures on an accrual basis of accounting.

#### **Financial statement preparation.**

(7) Licensees must prepare financial statements on a comparative basis. For the first year of operation only, licensees do not have to submit comparative financial statements. Licensees must report gross revenues from each licensed activity separate and apart from all other revenues.

(8) All financial statements must be prepared in accordance with the United States' Generally Accepted Accounting Principles (GAAP).

#### **Consolidated financial statements.**

(9) Commonly owned or operated business premises may present consolidated financial statements. Licensees must include consolidated schedules presenting separate financial statements for each licensed card room location.

#### **Change in business year.**

(10) Licensees must notify us in writing within thirty days if they change their business year. Licensees must submit financial statements covering the period from the end of the previous business year to the end of the new business year.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-740, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-745 Signature cards.** House-banked card game licensees must keep signature cards in the format we require for all licensed card room employees.

(1) The card must be prepared in the presence of a member of the accounting department, who must review a picture identification card and verify the signer's identity.

(2) Licensees must keep completed cards in a signature card file, sorted by department and listed alphabetically by name. Licensees must review and adjust the signature records as needed to reflect changes of personnel.

(3) Licensees must securely store signature cards in the accounting department.

(4) The cashier's cage must keep a copy of each signature card and cage personnel must use it to verify signatures.

(5) Licensees must retain the signature records for a period of at least one year after employment ends.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-745, filed 4/10/07, effective 1/1/08.]

**WAC 230-15-750 Signature requirements for documents, records, and forms.** (1) House-banked card game licensees must document each transfer of cash, coins, or chips and verify the transfer with the signature(s) of individual(s) responsible for the records.

(2) By signing documents, records, and forms, signers are indicating that they:

(a) Have prepared them according to the requirements of the accounting system and internal controls; and/or

(b) Attest to the accuracy of the information recorded for which they are responsible.

(3) Signers must sign immediately next to, or above, the clearly printed or preprinted title on all forms, records, and documents.

(4) Signatures must, at least, be the signer's first initial and last name, for example, "B. Smith," and the signer's employee number.

[Statutory Authority: RCW 9.46.070. 07-09-033 (Order 608), § 230-15-750, filed 4/10/07, effective 1/1/08.]