WSR 24-03-063 PREPROPOSAL STATEMENT OF INQUIRY GAMBLING COMMISSION [Filed January 12, 2024, 12:08 p.m.]

Subject of Possible Rule Making: The gambling commission (commission) is reviewing its licensing fees to ensure that they are sufficient to cover the commission's costs of licensing, regulation, and enforcement in the coming years.

Statutes Authorizing the Agency to Adopt Rules on this Subject: RCW 9.46.070.

Reasons Why Rules on this Subject may be Needed and What They Might Accomplish: In 2023, the commission adjusted license fees for charitable and nonprofit organizations, commercial stimulant organizations, and for other businesses. The changes were made to ensure the commission was collecting revenue to support increasing expenditures with no staff increases, i.e., salaries and benefits, supplies and equipment, and government services from agencies such as the attorney general's office and department of enterprise services. Five months of revenue and expenditure data with the fee changes show we are not collecting enough revenue to cover all costs of regulation, licensing, and enforcement. Reviewing current anticipated expenditures and the governor's supplemental budget proposal indicates expenditures will continue to increase.

Since current license fees are not projected to be sufficient to cover the commission's costs of licensing, regulation, and enforcement beginning in fiscal year 2025, it is necessary to review the established fees and consider increases that can support the commission's operating costs.

Other Federal and State Agencies that Regulate this Subject and the Process Coordinating the Rule with These Agencies: None.

Process for Developing New Rule: Regular rule making.

Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting Lisa McLean, Legislative and Policy Manager, P.O. Box 42400, Olympia, WA 98504-2400, phone 360-486-3440, TTY 360-486-3637, email rules.coordinator@wsgc.wa.gov, website www.wsgc.wa.gov.

> January 12, 2024 Lisa McLean Legislative and Policy Manager