

WSR 24-11-067
PREPROPOSAL STATEMENT OF INQUIRY
GAMBLING COMMISSION

[Filed May 14, 2024, 11:40 a.m.]

Subject of Possible Rule Making: Expiration date for organization licenses.

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: RCW 9.46.070 authorizes the gambling commission (commission) to issue licenses for a period not to exceed one year to certain organizations. Currently, those licenses expire at the end of a quarter, depending on when their license was initially approved. However, this caused some difficulties when the commission adjusted annual license fees in June 2023. Because of the quarterly expiration of organizational licenses, it took nine months before all organizational licensees began paying the adjusted license fees. Additionally, it currently takes 13 months from the implementation of the rule change for all licensees to be subject to the adjusted gross gambling receipts rate and 22 months (April 30, 2025) to receive a full year of revenue from the adjusted rates. This lengthy process creates extreme challenges in forecasting cash flow and collecting adjusted license fees in a timely manner.

Staff are proposing that we initiate rule making to align all organizational license expiration dates to June 30th. This will aid in revenue forecasting as well as simplify implementation and communication to licensees when adjusting license fees in the future. Rule making would take the form of amending existing rules and/or adding additional rules to chapters 230-03, 230-05, and/or 230-06 WAC.

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 Adam Amorine, P.O. Box 42400, Olympia, WA 98504-2400, phone 360-486-3473, TTY 360-486-3637, email rules.coordinator@wsgc.wa.gov, website www.wsgc.wa.gov.

May 14, 2024

Adam Amorine

Legal Manager and Rules Coordinator