6615-S AMS PREN S5222.1

<u>SSB 6615</u> - S AMD 78 By Senator Prentice

Strike everything after the enacting clause and insert the following:

3 "Sec. 1. RCW 9.46.295 and 1974 ex.s. c 155 s 6 are each amended to 4 read as follows:

(1) Any license to engage in any of the gambling activities 5 6 authorized by this chapter ((as now exists or as hereafter amended)), 7 and issued under the authority thereof shall be legal authority to 8 engage in the gambling activities for which issued throughout the incorporated and unincorporated area of any county, except that a city 9 located therein with respect to that city, or a county with respect to 10 11 all areas within that county except for such cities, may absolutely 12 prohibit((, but may not change the scope of license,)) any or all of the gambling activities for which the license was issued. 13

14 (2) Nothing in this section authorizes any city, town, city-county, 15 or county to adopt or enforce any ordinance, resolution, or other 16 legislative act changing or purporting to change any provision within 17 the scope of a license issued under this chapter.

18 (3) For purposes of this section, an ordinance, resolution, or 19 other legislative act that:

20 <u>(a) Prohibits all house-banked card games within the applicable</u> 21 jurisdiction on and after the effective date of the legislative act, or 22 on and after any other date specified in the legislative act, shall be 23 deemed to be an act adopted in compliance with this section; and

(b) Prohibits or purports to prohibit any or some house-banked card games within the jurisdiction, but also allows or purports to allow any house-banked card games to be located or continue to operate within the applicable jurisdiction for an indefinite period after the effective date of the legislative act, or another date, if any, specified in the legislative act, shall be deemed to be an act not in compliance with 1 this section, and is null and void, except as provided in section 2 of 2 this act.

3 (4) No ordinance complying with subsection (3)(a) of this section
4 that is in effect or adopted after the effective date of this act may
5 be amended, revoked, rescinded, repealed, or otherwise altered or
6 invalidated.

7 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 9.46 RCW 8 to read as follows:

9 (1) A jurisdiction that, as of November 30, 2005, had in effect an 10 ordinance, resolution, or other legislative act that is or would have 11 been null and void under RCW 9.46.295(3)(b) may petition for an 12 exemption from RCW 9.46.295(3)(b) if the jurisdiction submits a 13 petition that:

(a) Is in the form of a resolution requesting such exemption that
is adopted by and bears the signatures of not less than fifty percent
of the voting members of the legislative body of the jurisdiction;

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(b) Is received by the commission by December 31, 2006;

(c) Contains an acknowledgment that the petition to be exempt from RCW 9.46.295(3)(b) is permanent and irrevocable, except as provided by subsection (3) of this section; and

(d) Identifies with particularity the location or locations within the jurisdiction where, as of January 31, 2006, a license for a housebanked card game had been either: (i) Issued by the commission and was in effect; or (ii) applied for pursuant to the laws and rules of both the jurisdiction and the commission, and had not been subsequently denied by the commission, or rejected by the jurisdiction.

(2) Upon receipt of a petition complying with subsection (1) of 27 this section, the commission shall enter the petition into the record 28 of the next regularly scheduled commission meeting and transmit 29 correspondence to the jurisdiction acknowledging that the petition had 30 31 been received and filed. After the filing of such petition, the commission shall neither issue nor renew any license to engage in a 32 house-banked card game within the jurisdiction except in a location 33 specified in the petition. 34

35 (3) A licensee authorized to engage in house-banked card games 36 pursuant to a license issued or renewed in accordance with this section 37 may continue to engage in the gambling activity authorized under the license until the city, town, city-county, or county with jurisdiction over the location identified in the license has in effect an ordinance, resolution, or other legislative act adopted under RCW 9.46.295(3)(a) prohibiting such gambling activity.

5 **Sec. 3.** RCW 9.46.070 and 2002 c 119 s 1 are each amended to read 6 as follows:

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The commission shall have the following powers and duties:

(1) To authorize and issue licenses for a period not to exceed one 8 year to bona fide charitable or nonprofit organizations approved by the 9 commission meeting the requirements of this chapter and any rules ((and 10 11 regulations)) adopted pursuant thereto permitting said organizations to 12 conduct bingo games, raffles, amusement games, and social card games, to utilize punch boards and pull-tabs in accordance with the provisions 13 of this chapter and any rules ((and regulations)) adopted pursuant 14 15 thereto and to revoke or suspend said licenses for violation of any 16 provisions of this chapter or any rules ((and regulations)) adopted pursuant thereto((+ PROVIDED, That)). However, except as provided in 17 <u>RCW 9.46.295</u>, the commission shall not deny a license to an otherwise 18 19 qualified applicant in an effort to limit the number of licenses to be 20 issued((: PROVIDED FURTHER, That)). The commission or director shall 21 not issue, deny, suspend, or revoke any license because of considerations of race, sex, creed, color, or national origin((: AND 22 23 PROVIDED FURTHER, That)). The commission may authorize the director to 24 temporarily issue or suspend licenses subject to final action by the 25 commission;

26 (2) To authorize and issue licenses for a period not to exceed one year to any person, association, or organization operating a business 27 primarily engaged in the selling of items of food or drink for 28 consumption on the premises, approved by the commission meeting the 29 30 requirements of this chapter and any rules ((and regulations)) adopted 31 pursuant thereto permitting said person, association, or organization to utilize punch boards and pull-tabs and to conduct social card games 32 33 as a commercial stimulant in accordance with the provisions of this chapter and any rules ((and regulations)) adopted pursuant thereto and 34 to revoke or suspend said licenses for violation of any provisions of 35 36 this chapter and any rules ((and regulations)) adopted pursuant thereto((: PROVIDED, That)). However, except as provided in RCW 37

9.46.295, the commission shall not deny a license to an otherwise qualified applicant in an effort to limit the number of licenses to be issued((: PROVIDED FURTHER, That)). The commission may authorize the director to temporarily issue or suspend licenses subject to final action by the commission;

(3) To authorize and issue licenses for a period not to exceed one 6 7 year to any person, association, or organization approved by the commission meeting the requirements of this chapter and meeting the 8 9 requirements of any rules and regulations adopted by the commission 10 pursuant to this chapter as now or hereafter amended, permitting said person, association, or organization to conduct or operate amusement 11 12 games in such manner and at such locations as the commission may 13 determine;

14 (4) To authorize, require, and issue, for a period not to exceed 15 one year, such licenses as the commission may by rule provide, to any 16 person, association, or organization to engage in the selling, 17 distributing, or otherwise supplying or in the manufacturing of devices 18 for use within this state for those activities authorized by this 19 chapter;

(5) To establish a schedule of annual license fees for carrying on 20 21 specific gambling activities upon the premises, and for such other 22 activities as may be licensed by the commission, which fees shall provide to the commission not less than an amount of money adequate to 23 24 cover all costs incurred by the commission relative to licensing under 25 this chapter and the enforcement by the commission of the provisions of this chapter and rules and regulations adopted pursuant thereto: 26 27 PROVIDED, That all licensing fees shall be submitted with an application therefor and such portion of said fee as the commission may 28 determine, based upon its cost of processing and investigation, shall 29 be retained by the commission upon the withdrawal or denial of any such 30 license application as its reasonable expense for processing the 31 32 application and investigation into the granting thereof: PROVIDED FURTHER, That if in a particular case the basic license fee established 33 by the commission for a particular class of license is less than the 34 commission's expenses to investigate that particular 35 actual application, the commission may at any time charge to that applicant 36 37 such additional fees as are necessary to pay the commission for those 38 costs. The commission may decline to proceed with its investigation

and no license shall be issued until the commission has been fully paid 1 2 therefor by the applicant: AND PROVIDED FURTHER, That the commission may establish fees for the furnishing by it to licensees 3 of identification stamps to be affixed to such devices and equipment as 4 required by the commission and for such other special services or 5 programs required or offered by the commission, the amount of each of 6 these fees to be not less than is adequate to offset the cost to the 7 commission of the stamps and of administering their dispersal to 8 licensees or the cost of administering such other special services, 9 10 requirements or programs;

11 (6) To prescribe the manner and method of payment of taxes, fees 12 and penalties to be paid to or collected by the commission;

13 (7) To require that applications for all licenses contain such 14 information as may be required by the commission: PROVIDED, That all persons (a) having a managerial or ownership interest in any gambling 15 activity, or the building in which any gambling activity occurs, or the 16 17 equipment to be used for any gambling activity, or (b) participating as an employee in the operation of any gambling activity, shall be listed 18 on the application for the license and the applicant shall certify on 19 the application, under oath, that the persons named on the application 20 21 are all of the persons known to have an interest in any gambling 22 activity, building, or equipment by the person making such application: PROVIDED FURTHER, That the commission shall require fingerprinting and 23 24 national criminal history background checks on any persons seeking 25 licenses, certifications, or permits under this chapter or of any person holding an interest in any gambling activity, building, or 26 27 equipment to be used therefor, or of any person participating as an employee in the operation of any gambling activity. All national 28 history background checks shall be conducted 29 criminal usina fingerprints submitted to the United States department of justice-30 federal bureau of investigation. The commission must establish rules 31 32 to delineate which persons named on the application are subject to national criminal history background checks. In identifying these 33 persons, the commission must take into consideration the nature, 34 35 character, size, and scope of the gambling activities requested by the persons making such applications; 36

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(8) To require that any license holder maintain records as directed

1 by the commission and submit such reports as the commission may deem 2 necessary;

3 (9) To require that all income from bingo games, raffles, and 4 amusement games be recorded and reported as established by rule or 5 regulation of the commission to the extent deemed necessary by 6 considering the scope and character of the gambling activity in such a 7 manner that will disclose gross income from any gambling activity, 8 amounts received from each player, the nature and value of prizes, and 9 the fact of distributions of such prizes to the winners thereof;

(10) To regulate and establish maximum limitations on income 10 derived from bingo. In establishing limitations pursuant to this 11 12 subsection the commission shall take into account (i) the nature, 13 character, and scope of the activities of the licensee; (ii) the source 14 of all other income of the licensee; and (iii) the percentage or extent to which income derived from bingo is used for charitable, 15 as distinguished from nonprofit, purposes. However, the commission's 16 17 powers and duties granted by this subsection are discretionary and not mandatory; 18

19 (11) To regulate and establish the type and scope of and manner of 20 conducting the gambling activities authorized by this chapter, 21 including but not limited to, the extent of wager, money, or other 22 thing of value which may be wagered or contributed or won by a player 23 in any such activities;

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

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

31 (14) In accordance with RCW 9.46.080, to adopt such rules and 32 regulations as are deemed necessary to carry out the purposes and 33 provisions of this chapter. All rules and regulations shall be adopted 34 pursuant to the administrative procedure act, chapter 34.05 RCW;

35 (15) To set forth for the perusal of counties, city-counties, 36 cities and towns, model ordinances by which any legislative authority 37 thereof may enter into the taxing of any gambling activity authorized 38 by this chapter;

(16) To establish and regulate a maximum limit on salaries or wages 1 2 which may be paid to persons employed in connection with activities conducted by bona fide charitable or nonprofit organizations and 3 authorized by this chapter, where payment of such persons is allowed, 4 and to regulate and establish maximum limits for other expenses in 5 connection with such authorized activities, including but not limited б 7 to rent or lease payments. However, the commissioner's powers and duties granted by this subsection are discretionary and not mandatory. 8

In establishing these maximum limits the commission shall take into 9 account the amount of income received, or expected to be received, from 10 the class of activities to which the limits will apply and the amount 11 of money the games could generate for authorized charitable or 12 13 nonprofit purposes absent such expenses. The commission may also take into account, in its discretion, other factors, including but not 14 limited to, the local prevailing wage scale and whether charitable 15 purposes are benefited by the activities; 16

17 (17) To authorize, require, and issue for a period not to exceed one year such licenses or permits, for which the commission may by rule 18 provide, to any person to work for any operator of any gambling 19 activity authorized by this chapter in connection with that activity, 20 21 or any manufacturer, supplier, or distributor of devices for those 22 activities in connection with such business. The commission shall not require that persons working solely as volunteers in an authorized 23 activity conducted by a bona fide charitable or bona fide nonprofit 24 25 organization, who receive no compensation of any kind for any purpose from that organization, and who have no managerial or supervisory 26 27 responsibility in connection with that activity, be licensed to do such The commission may require that licensees employing such 28 work. unlicensed volunteers submit to the commission periodically a list of 29 the names, addresses, and dates of birth of the volunteers. 30 If any 31 volunteer is not approved by the commission, the commission may require 32 that the licensee not allow that person to work in connection with the licensed activity; 33

34 (18) To publish and make available at the office of the commission 35 or elsewhere to anyone requesting it a list of the commission 36 licensees, including the name, address, type of license, and license 37 number of each licensee; (19) To establish guidelines for determining what constitutes
 active membership in bona fide nonprofit or charitable organizations
 for the purposes of this chapter; and

4 (20) To perform all other matters and things necessary to carry out 5 the purposes and provisions of this chapter.

6 <u>NEW SECTION.</u> Sec. 4. This act is necessary for the immediate 7 preservation of the public peace, health, or safety, or support of the 8 state government and its existing public institutions, and takes effect 9 immediately."

## <u>SSB 6615</u> - S AMD By Senator

10 On page 1, line 2 of the title, after "games;" strike the remainder 11 of the title and insert "amending RCW 9.46.295 and 9.46.070; adding a 12 new section to chapter 9.46 RCW; and declaring an emergency."

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