

HOUSE BILL REPORT

SHB 1346

As Passed House:
January 25, 2008

Title: An act relating to the exclusion of certain persons from licensed gambling premises.

Brief Description: Allowing the exclusion of certain people from licensed gambling premises.

Sponsors: By House Committee on Commerce & Labor (originally sponsored by Representatives Wood, Conway and Moeller; by request of Gambling Commission).

Brief History:

Committee Activity:

Commerce & Labor: 1/25/07, 2/1/07 [DPS].

Floor Activity:

Passed House: 1/25/08, 94-0.

Brief Summary of Substitute Bill

- Authorizes the Gambling Commission to create a "bar" list of persons to be excluded from licensed gambling premises.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Crouse, Green, Moeller and Williams.

Staff: Joan Elgee (786-7106).

Background:

The Legislature adopted the Washington State Gambling Act (Act) and created the Washington State Gambling Commission (WSGC) in 1973. In adopting the Act, the Legislature declared the public policy of the state to keep the criminal element out of gambling, limit the nature and scope of gambling, and have strict regulation and control.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Various gambling offenses are specified, including bookmaking, cheating, and possession of prohibited gambling devices. The WSGC is a law enforcement agency for purposes of enforcing the Act's criminal provisions.

The WSGC licenses commercial entities and charitable/nonprofit organizations to conduct authorized gambling activities. These licensees are subject to sanction, such as imposition of a fine and license suspension, for failure to follow the Act and rules adopted by the WSGC.

Several other states have laws providing for "bar" lists. A bar list prohibits persons meeting specified criteria from patronizing gambling establishments. Examples of the criteria include having a felony conviction or having a reputation such that the person's presence on the gambling premises would call into question the honesty and integrity of the gambling operations. Some states allow a person to self-exclude themselves from gambling establishments through the use of a voluntary bar list.

Summary of Substitute Bill:

Bar List Authorized. The Legislature declares that the exclusion of certain persons from gambling premises is necessary to carry out the policies of the Act and effectively maintain the strict regulation of gambling.

The WSGC may, by rule, provide for the establishment of a list of persons who are to be excluded from licensed gambling premises.

Standards for a Bar List. The rules must define the standards for exclusion and must include standards relating to persons who:

- are career or professional offenders or involved in organized crime;
- have been convicted of a gambling law violation or of any felony including, but not limited to, theft, extortion, conspiracy to defraud, or any similar offense involving or in connection with any gambling activity; or
- have been excluded under a bar list of any other state or nation.

The WSGC may not use race, color, creed, national origin or ancestry, gender or other prohibited or unlawful discriminatory reasons to list a person. A bar list is not an all-inclusive list. Licensees must keep from their premises persons known to them to fall within the standards for exclusion.

Procedure for Placing a Person on a Bar List. When the WSGC places a person on a bar list, it must notify the person by personal service or certified mail. If personal service is not accomplished and the person has no known last address, the WSGC must publish a notice in a Thurston county newspaper and on the agency website.

Within 30 days of service, the person named may request a hearing before an administrative law judge. The WSGC must prove by a preponderance of the evidence that the person named

satisfies the criteria for exclusion. The judge's order, whether to find placement on the list is appropriate or not, is subject to review by the WSGC.

A person on the bar list remains listed until the person proves by clear and convincing evidence that the person is eligible to be removed. The WSGC must include in its rules standards and processes for removal.

Penalties/Sanctions.

A barred person who enters a gambling premise is guilty of a gross misdemeanor and may not collect any winnings or recover any losses. Any money or thing of value obtained by, or which is owed to, a barred person must be forfeited.

The WSGC may impose sanctions upon a licensee for knowingly failing to exclude a person on the bar list.

Other provisions.

A bar list does not limit the right of a licensee to exercise its common law right to exclude any person who disrupts the operations of its premises, threatens the security, or is disorderly or intoxicated.

Rules Authority: If the WSGC provides for a bar list, it must adopt rules defining the standards for exclusion, and standards and processes for removal from the list.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) This bill is based on Nevada's "black book." It is aimed at professional gamblers, fraud artists, and con artists who rip off honest people. The charge of the Gambling Commission is to protect citizens. We worked this bill but input is welcome. We are taking the over-broad language out. The list will be limited, probably about 20 people a year. Eleven other states have bar lists and we took the best from other states.

(Concerns) Disability was left off the list of reasons that could not be used to list someone. The bill does permit discrimination. What is not permitted is "prohibited or unlawful" discrimination.

(Opposed) None.

Persons Testifying: (In support) Representative Wood, prime sponsor and ex officio member of the Washington State Gambling Commission; and Amy Hunter, Washington State Gambling Commission.

(Concerns) Loren Freeman, Freeman Association.

Persons Signed In To Testify But Not Testifying: None.