HOUSE BILL REPORT EHB 2216

As Passed House:

February 19, 2020

Title: An act relating to sports pool boards.

Brief Description: Increasing the maximum bet in sports boards.

Sponsors: Representatives Eslick, Dent, Corry and Jenkin.

Brief History:

Committee Activity:

Commerce & Gaming: 1/13/20, 1/21/20 [DP].

Floor Activity:

Passed House: 2/19/20, 84-14.

Brief Summary of Engrossed Bill

- Increases, from \$1 or less to \$5 or less, the amount of money for which a square on a sports pool board may be offered to prospective contestants.
- Authorizes an operator of a sports pool board to operate up to two sports boards on the same athletic event.

HOUSE COMMITTEE ON COMMERCE & GAMING

Majority Report: Do pass. Signed by 11 members: Representatives Peterson, Chair; Kloba, Vice Chair; MacEwen, Ranking Minority Member; Chambers, Assistant Ranking Minority Member; Blake, Jenkin, Kirby, Morgan, Ramel, Vick and Young.

Staff: Peter Clodfelter (786-7127).

Background:

Since 1976, sports pool boards have been a legal form of gambling in Washington. The Gambling Act authorizes any person, association, or organization to conduct sports pools without a license from the Gambling Commission (Commission), subject to specific requirements. Sports pool boards are a board or piece of paper divided into 100 equal squares, each of which constitutes a chance to win in the sports pool and each of which is

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offered directly to prospective contestants at \$1 or less. The purchaser of each square signs their name on the face of each square purchased. Before the start of the subject athletic contest, the pool is closed and no further chances in the pool may be sold.

After the pool is closed, a prospective score is assigned by random drawing to each square. All money paid by entrants to enter the pool, less taxes, must be paid out as the prize or prizes to persons holding squares assigned the winning score or scores from the subject athletic contest. Sports pool boards must be available for inspection by any person purchasing a chance to win, by the Commission, or by any law enforcement agency upon demand at all times prior to the payment of the prize. An operator of a sports pool may not conduct more than one sports pool on the same athletic event. A sports pool must conform to any rules of the Commission applicable to sports pools.

Summary of Engrossed Bill:

The amount of money for which a square on a sports pool board may be offered to prospective contestants is increased from \$1 or less to \$5 or less. Also, a person or organization conducting a sports pool may conduct no more than two total sports pools on the same athletic event, instead of being limited to conducting only one sports pool on the same athletic event.

The phrase "sports pools" is changed to "sports boards" and references to "pools" are changed to "boards."

Appropriation: None.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) Sports pool boards have historically been a large part of business for bars and restaurants, even though the bar or restaurant does not keep the proceeds. For a good place to watch sports games, customers like to go to bars and restaurants where sports pool boards are offered. Many bars and restaurants have low margins and struggle financially, especially when considering the recent minimum wage increase and other expenses. There are already some bars that offer \$5 squares on sports pool boards. There is another bill this year, House Bill 2219, which also proposes to expand authorization related to sports pool boards, but that bill does so through authorizing agency rulemaking. This bill makes the changes directly to statute. There has been positive feedback from bar and restaurant industry workers regarding authorizing \$5 squares.

(Opposed) None.

(Other) The Gambling Commission is neutral on this bill and does not have concerns. The bill is simple and raises the authorized dollar amount for sports pool board squares from \$1 to

\$5, and raises the number of boards that may be offered on an athletic event from one board to two boards.

Persons Testifying: (In support) Representative Eslick, prime sponsor.

(Other) Brian Considine, Washington State Gambling Commission.

Persons Signed In To Testify But Not Testifying: None.

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