
SENATE BILL 5587

State of Washington

68th Legislature

2023 Regular Session

By Senators King, Lias, and Dozier

Read first time 01/26/23. Referred to Committee on Business, Financial Services, Gaming & Trade.

1 AN ACT Relating to authorizing sports wagering at cardrooms and
2 racetracks; amending RCW 9.46.0335, 9.46.153, 9.46.155, 9.46.210,
3 9.46.240, 67.04.010, 67.04.020, 67.04.030, 67.04.040, 67.04.050,
4 67.04.060, 67.04.070, and 67.04.080; adding a new section to chapter
5 82.04 RCW; adding a new section to chapter 67.04 RCW; adding a new
6 chapter to Title 9 RCW; recodifying RCW 67.24.010; decodifying RCW
7 67.24.020; and prescribing penalties.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

9 NEW SECTION. **Sec. 1.** Before sports wagering may be conducted
10 under this chapter by a cardroom or racetrack, the commission must
11 analyze the impacts of legalized sports wagering on problem gambling,
12 evaluate ways to mitigate impacts to problem gambling, and adopt
13 rules implementing this chapter including provisions to mitigate
14 impacts to problem gambling from sports wagering authorized by this
15 chapter.

16 NEW SECTION. **Sec. 2.** The definitions in this section apply
17 throughout this chapter unless the context clearly requires
18 otherwise.

19 (1) "Cardroom" means a business licensed to conduct social card
20 games pursuant to RCW 9.46.0325 as of December 1, 2022.

1 (2) "Collegiate sport or athletic event" has the same meaning as
2 in RCW 9.46.038.

3 (3) "Commission" means the Washington state gambling commission
4 created in RCW 9.46.040.

5 (4) "Fantasy sports activity" means any fantasy or simulated
6 activity or contest with an entry fee in which a participant owns or
7 manages an imaginary team and competes against other participants or
8 a target score for a predetermined prize with the outcome reflecting
9 the relative skill of the participants and determined by statistics
10 generated based on performance by actual individuals participating in
11 actual competitions or athletic events, provided that the outcome
12 must not be based solely on the performance of an individual athlete,
13 or on the score, point spread, or any performance of any single real
14 team or combination of real teams. "Fantasy sports activity" does not
15 include any activity in which no entry fee is paid to the fantasy
16 sports operator or in which a prize is not collected, managed, or
17 awarded by the operator.

18 (5) "Internet sports pool operator" means an entity that is
19 licensed as a casino service industry enterprise and that holds a
20 license issued by the commission to operate an online sports pool.

21 (6) "Online sports pool" means a sports wagering operation in
22 which wagers on sports events are made through computers or mobile or
23 interactive devices and accepted at a sports wagering lounge through
24 an online gaming system that is operating pursuant to a sports
25 wagering license issued by the commission.

26 (7) "Operator" means a sport wagering licensee that has elected
27 to operate a sports pool, either independently or jointly, and any
28 entity with whom a sport wagering licensee contracts to operate a
29 sports pool or online sports pool, including an internet sports pool
30 operator, on its behalf.

31 (8) "Professional sport or athletic event" has the same meaning
32 as in RCW 9.46.038.

33 (9)(a) "Prohibited sports event" means any collegiate sport or
34 athletic event that takes place in this state or a sport or athletic
35 event in which any Washington state college team participates
36 regardless of where the event takes place. "Prohibited sports event"
37 includes all high school sports events, electronic sports, and
38 competitive video games, but does not include international sports
39 events in which persons under age 18 make up a minority of the
40 participants.

1 (b) "Prohibited sports event" does not include the other games of
2 a collegiate sport or athletic tournament in which a Washington state
3 college team participates, nor does it include any games of a
4 collegiate tournament that occurs outside Washington state, even
5 though some of the individual games or events are held in Washington.

6 (10) "Racetrack" means a business licensed to conduct horse race
7 meets under a license issued by the Washington horse racing
8 commission pursuant to chapter 67.16 RCW as of December 1, 2022.

9 (11) "Sports event" means any professional sport or athletic
10 event, any Olympic or international sports competition event, or any
11 collegiate sport or athletic event, or any portion thereof,
12 including, but not limited to, the individual performance statistics
13 of athletes in a sports event or combination of sports events.
14 "Sports event" does not include a prohibited sports event or a
15 fantasy sports activity.

16 (12) "Sports pool" means the business of accepting wagers on any
17 sports event by any system or method of wagering including, but not
18 limited to, single-game bets, teaser bets, parlays, over/under, money
19 line, pools, exchange wagering, in-game wagering, in-play bets,
20 proposition bets, or straight bets.

21 (13) "Sports wagering lounge" means an area wherein an authorized
22 sports pool is operated at a cardroom or racetrack facility.

23 NEW SECTION. **Sec. 3.** (1) The legislature authorizes sports
24 wagering through sports pools and online sports pools by a cardroom
25 or racetrack as provided in this chapter. This chapter does not apply
26 to sports wagering authorized pursuant to RCW 9.46.0364.

27 (2) Sports wagering conducted pursuant to the provisions of this
28 chapter does not constitute bookmaking and is not subject to civil or
29 criminal penalties.

30 (3) The commission has the power to issue all sports wagering
31 licenses and renewals to cardrooms and racetracks. The commission
32 must hear and promptly decide all applications for a sports wagering
33 license.

34 (4) The license to operate a sports pool is in addition to any
35 other license required to be issued pursuant to chapters 9.46 and
36 67.16 RCW.

37 (5) A sports wagering licensee may operate a sports pool in
38 accordance with the provisions of this chapter.

1 (6) A sports wagering licensee may enter into an agreement to
2 jointly operate a sports pool at a racetrack in accordance with the
3 provisions of this chapter.

4 (7) A sports wagering licensee may conduct an online sports pool
5 or may authorize an internet sports pool operator licensed as a
6 casino service industry enterprise to operate an online sports pool
7 on its behalf, provided the terms of the agreement are approved by
8 the commission.

9 (8) The powers and duties of the commission specified in chapter
10 9.46 RCW and other provisions with respect to licensees apply to the
11 extent not inconsistent with the provisions of this chapter.

12 (9) The commission has the authority to charge a cardroom and a
13 racetrack a fee for the issuance of a sports wagering license in an
14 amount of \$100,000 for the initial issuance and, in the case of a
15 renewal, a reasonable fee adopted by rule that is based upon the
16 expense associated with renewal, enforcement, and programs for the
17 prevention and treatment of problem gambling.

18 (10) No sports wagering license may be issued by the commission
19 to any person or entity unless it has established its financial
20 stability, integrity, responsibility, good character, and honesty.

21 (11) No license to operate a sports pool may be issued to any
22 person or entity that is disqualified for a license under chapter
23 9.46 or 67.16 RCW.

24 (12) A licensee must submit to the commission, no later than five
25 years after the date of the issuance of a license and every five
26 years thereafter, or within such lesser periods as the commission may
27 direct, documentation or information as the commission may, by rule,
28 require to demonstrate to the satisfaction of the commission that the
29 licensee continues to meet the requirements of this chapter.

30 (13) The commission, following consultation with the sports
31 wagering licensees, must annually provide a report to the governor
32 and the appropriate committees of the legislature on the impact of
33 sports wagering, including internet wagering on sports events, on
34 problem gamblers and gambling addiction in the state. The report must
35 be prepared by a private organization or entity with expertise in
36 serving the needs of persons with gambling addictions, as selected by
37 the commission. The report must be distributed by the commission. Any
38 costs associated with the preparation and distribution of the report
39 will be borne by the licensees who have been authorized by the
40 commission to conduct internet gaming, and the commission is

1 authorized to assess a fee against the licensees for these purposes.
2 The commission may also periodically report to the governor and the
3 appropriate committees of the legislature on the effectiveness of the
4 statutory and regulatory controls in place to ensure the integrity of
5 gaming operations through the internet.

6 NEW SECTION. **Sec. 4.** (1) Each sports wagering licensee may
7 provide no more than one branded sports wagering website, which may
8 have an accompanying mobile application bearing the same brand as the
9 website for an online sports pool. Any sports wagering website and
10 mobile application must only allow wagering at that cardroom or
11 racetrack facility. The transmission of gambling information over the
12 internet for any sports wagering conducted and operated under this
13 chapter is authorized, provided that the wager may be placed and
14 accepted at a cardroom or racetrack's facility only while the
15 customer placing the wager is physically present on the premises of
16 that cardroom or racetrack facility.

17 (2) No online sports pool may be opened to the public, and no
18 sports wagering, except for test purposes, may be conducted until an
19 internet sports pool operator receives a sport wagering license or
20 pursuant to the terms of a compact.

21 (3) Sports wagering licensees and operators may provide
22 promotional credits, incentives, bonuses, complimentaries, or similar
23 benefits designed to induce sports betters to wager.

24 (4) The server or other equipment used by a sports wagering
25 licensee to accept wagers at a sports pool or online sports pool must
26 be located in that cardroom or racetrack facility.

27 (5) A sports pool must be operated in a sports wagering lounge
28 located at the cardroom or racetrack facility. A sports wagering
29 lounge may be located at a casino simulcasting facility. The sports
30 wagering lounge must conform to all requirements concerning square
31 footage, design, equipment, security measures, and related matters
32 which the commission may prescribe. The space required for the
33 establishment of a sports wagering lounge must not reduce the space
34 authorized for other gambling activities pursuant to other laws or
35 rules.

36 (6) A sports wagering licensee may not operate a sports pool or
37 accept wagers via an online sports pool unless a sports wagering
38 lounge is established and has commenced operation in its facility;
39 provided, however, that a sports wagering licensee may petition the

1 commission to commence operation of the sports pool at either a
2 temporary facility or an online sports pool, or both, during the
3 pendency of construction of a sports wagering lounge in its facility.
4 The temporary facilities may include, at the discretion of the
5 commission, the use of designated windows at the current casino cage
6 or racetrack betting window for purposes of placing sports betting
7 wagers and self-service wagering machines located at the facility. In
8 accordance with subsection (1) of this section, nothing in this
9 section authorizes the placement or acceptance of a wager unless the
10 customer placing the wager is physically present on the premises of
11 the cardroom or racetrack facility.

12 (7) The operator must establish or display the odds at which
13 wagers may be placed on sports events.

14 (8) An operator may accept wagers on sports events only: (a) From
15 persons physically present in the sports wagering lounge; (b) through
16 self-service wagering machines located in its facility as authorized
17 by the commission; or (c) through an online sports pool if the
18 customer placing the wager through the online sports pool is
19 physically present on the premises of the cardroom or racetrack
20 facility.

21 (9) A person placing a wager on a sports event must be at least
22 18 years of age.

23 NEW SECTION. **Sec. 5.** (1) A sports pool or online sports pool
24 may not be offered or made available for wagering to the public by
25 any entity other than a sports wagering licensee operating such pool
26 on behalf of a licensee, or an internet sports pool operator on
27 behalf of a sports wagering licensee.

28 (2) Any person who offers a sports pool or an online sports pool
29 without a license or pursuant to a compact is guilty of a class B
30 felony and is subject to a fine of not more than \$25,000, and, in the
31 case of a person other than a natural person, a fine of not more than
32 \$100,000.

33 NEW SECTION. **Sec. 6.** (1) (a) Any person who: (i) Is an athlete,
34 coach, referee, or director of a sports governing body or any of its
35 member team; (ii) is a sports governing body or any of its member
36 teams; (iii) is a player or a referee personnel member in or on any
37 sports event overseen by that person's sports governing body based on
38 publicly available information; (iv) holds a position of authority or

1 influence sufficient to exert influence over the participants in a
2 sporting contest including, but not limited to, coaches, managers,
3 handlers, athletic trainers, or horse trainers; (v) has access to
4 certain types of exclusive information on any sports event overseen
5 by that person's sports governing body based on publicly available
6 information; or (vi) is identified by any lists provided by the
7 sports governing body to the commission may not have any ownership
8 interest in, control of, or otherwise be employed by, an operator, a
9 sports wagering licensee, or a facility in which a sports wagering
10 lounge is located, or place a wager on a sports event that is
11 overseen by that person's sports governing body based on publicly
12 available information. Any person who violates this subsection is
13 guilty of a misdemeanor and must, upon conviction, be punished by
14 either imprisonment in the county jail for a maximum term fixed by
15 the court of not more than 90 days or a fine in an amount fixed by
16 the court of not more than \$1,000, or both.

17 (b) Any employee of a sports governing body or its member teams
18 who is not prohibited from wagering on a sports event must provide
19 notice to the commission prior to placing a wager on a sports event.

20 (c) The direct or indirect legal or beneficial owner of 10
21 percent or more of a sports governing body or any of its member teams
22 may not place or accept any wager on a sports event in which any
23 member team of that sports governing body participates.

24 (2) The prohibition set forth in subsection (1) of this section
25 does not apply to any person who is a direct or indirect owner of a
26 specific sports governing body member team, and (a) the person has
27 less than 10 percent direct or indirect ownership interest in a
28 casino or racetrack, or (b) the shares of such person are registered
29 pursuant to section 12 of the securities exchange act of 1934 (15
30 U.S.C. Sec. 781), as amended, and the value of the ownership of such
31 team represents less than one percent of the person's total
32 enterprise value.

33 (3) An operator must adopt procedures to prevent persons who are
34 prohibited from placing sports wagers from wagering on sports events.

35 (4) An operator may not accept wagers from any person whose
36 identity is known to the operator and:

37 (a) Whose name appears on any self-exclusion programs list
38 provided under RCW 9.46.071;

1 (b) Who is the operator, director, officer, owner, or employee of
2 the operator or any relative thereof living in the same household as
3 the operator;

4 (c) Who has access to nonpublic confidential information held by
5 the operator; or

6 (d) Who is an agent or proxy for any other person.

7 (5) An operator must adopt procedures to obtain personally
8 identifiable information from any individual who places any single
9 wager in an amount of \$10,000 or greater on a sports event while
10 physically present in a cardroom or racetrack facility.

11 NEW SECTION. **Sec. 7.** The sports wagering licensee may contract
12 with an entity to conduct the operation in accordance with the rules
13 adopted by the commission. That entity must obtain a license as a
14 casino service industry enterprise, in accordance with the rules
15 adopted by the commission, prior to the execution of any contract.

16 NEW SECTION. **Sec. 8.** (1) An operator must promptly report to
17 the commission:

18 (a) (i) Any criminal or disciplinary proceedings commenced against
19 the operator or its employees in connection with the operations of
20 the sports pool or online sports pool; (ii) any abnormal betting
21 activity or patterns that may indicate a concern about the integrity
22 of a sports event or events; (iii) any other conduct with the
23 potential to corrupt a betting outcome of a sports event for purposes
24 of financial gain including, but not limited to, match fixing; and

25 (b) Suspicious or illegal wagering activities, including the use
26 of funds derived from illegal activity, wagers to conceal or launder
27 funds derived from illegal activity, the use of agents to place
28 wagers, or the use of false identification.

29 (2) The commission is authorized to share any information under
30 this section with any law enforcement entity, team, sports governing
31 body, or regulatory agency the commission deems appropriate.

32 NEW SECTION. **Sec. 9.** An operator must maintain records of
33 sports wagering operations as specified by the commission.

34 NEW SECTION. **Sec. 10.** (1) A sports wagering licensee may, in
35 addition to having a sports wagering lounge, conduct wagering on
36 authorized sports events through one or more kiosks or self-service

1 wagering stations located within its facility. The self-service
2 wagering stations may offer games authorized by the commission.

3 (2) (a) Subject to (b) of this subsection, all wagers on sports
4 events authorized under this chapter must be initiated, received, and
5 otherwise made within this state unless otherwise determined by the
6 commission in accordance with applicable federal and state laws.
7 Consistent with the intent of the United States congress as
8 articulated in the unlawful internet gambling enforcement act of
9 2006, 31 U.S.C. Sec. 5361 et seq., the intermediate routing of
10 electronic data relating to a lawful intrastate wager authorized
11 under this chapter does not determine the location or locations in
12 which such wager is initiated, received, or otherwise made.

13 (b) In accordance with section 4(1) of this act, nothing in this
14 section authorizes the placement, initiation, receipt, or making of a
15 wager unless the customer placing the wager is physically present on
16 the premises of the cardroom or racetrack facility. The commission is
17 prohibited from modifying this requirement.

18 NEW SECTION. **Sec. 11.** (1) Applicants for, and holders of, a
19 sports wagering license must be required to disclose the identity of
20 the following: (a) Each board-appointed officer of the applicant or
21 holder; (b) each director of the applicant or holder; (c) each person
22 who directly holds any voting or controlling interest of five percent
23 or more of the securities issued by such applicant or holder; (d)
24 each person who directly holds any nonvoting or passive ownership
25 interest of 25 percent or more of the securities issued by such
26 applicant or holder; and (e) each holding or intermediary company of
27 an applicant for, or holder of, an operator.

28 (2) As to each holding, intermediary, and subsidiary company or
29 entity of an applicant for, or holder of, a sports wagering license,
30 applicants and holders are required to establish and maintain the
31 qualifications of the following: (a) Each board-appointed officer of
32 the entity; (b) each director of the company or entity; (c) each
33 person who directly holds any voting or controlling interest of five
34 percent or more of the securities issued by such applicant or holder;
35 and (d) each person who directly holds any nonvoting or passive
36 ownership interest of 25 percent or more in the holding or
37 intermediary company.

1 NEW SECTION. **Sec. 12.** (1) All persons employed directly in
2 wagering-related activities conducted in a sports wagering lounge and
3 an online sports pool must be licensed as a sports wagering key
4 employee or registered as a sports wagering employee.

5 (2) All other employees who are working in the sports wagering
6 lounge may be required to be registered by the commission.

7 (3) Each operator must designate one or more sports wagering key
8 employees who are responsible for the operation of the sports pool.
9 At least one sports wagering key employee must be on the premises
10 whenever sports wagering is conducted.

11 NEW SECTION. **Sec. 13.** (1) Except as otherwise provided by this
12 chapter, the commission has the authority to regulate sports pools,
13 online sports pools, and the conduct of sports wagering under this
14 chapter.

15 (2) No cardroom or racetrack may be authorized to operate a
16 sports pool or online sports pool unless it has produced, to the
17 satisfaction of the commission, information, documentation, and
18 assurances concerning its financial background and resources,
19 including cash reserves, that are sufficient to demonstrate that it
20 has the financial stability, integrity, and responsibility to operate
21 a sports pool or online sports pool.

22 (3) In developing and adopting rules applicable to sports
23 wagering, the commission may examine the regulations implemented in
24 other states where sports wagering is conducted and may, as far as
25 practicable, adopt a similar regulatory framework. The commission
26 will adopt rules necessary to carry out the provisions of this
27 chapter, including regulations governing the:

28 (a) Amount of cash reserves to be maintained by operators to
29 cover winning wagers;

30 (b) Acceptance of wagers on a series of sports events;

31 (c) Maximum wagers which may be accepted by an operator from any
32 one patron on any one sports event;

33 (d) Type of wagering tickets which may be used;

34 (e) Method of issuing tickets;

35 (f) Method of accounting to be used by operators;

36 (g) Types of records which must be kept;

37 (h) Use of credit and checks by patrons;

38 (i) Type of system for wagering;

39 (j) Protections for a person placing a wager; and

1 (k) Display of the words "If you or someone you know has a
2 gambling problem and wants help, call 1-800 GAMBLER," or some
3 comparable language approved by the commission, which language must
4 include the words "gambling problem" and "call 1-800 GAMBLER" in all
5 print, billboard, sign, online, or broadcast advertisements of a
6 sports pool, online sports pool, and sports wagering lounge.

7 NEW SECTION. **Sec. 14.** (1) Each operator must adopt
8 comprehensive house rules governing sports wagering transactions with
9 its patrons that must be approved by the commission.

10 (2) The rules must specify the amounts to be paid on winning
11 wagers and the effect of schedule changes.

12 (3) The house rules, together with any other information the
13 commission deems appropriate, must be conspicuously displayed in the
14 sports wagering lounge, posted on the operator's internet website,
15 and included in the terms and conditions of the account wagering
16 system, and copies must be made readily available to patrons.

17 NEW SECTION. **Sec. 15.** Whenever a sports wagering licensee or
18 two licensees enter into an agreement to jointly establish a sports
19 wagering lounge, and to operate and conduct sports wagering under
20 this chapter, the agreement must specify the distribution of revenues
21 from the joint sports wagering operation among the parties to the
22 agreement.

23 NEW SECTION. **Sec. 16.** (1) There is levied, and collected from
24 every sports wagering licensee in this state, a tax in the amount of
25 10 percent of the gaming revenue.

26 (2) Gaming revenue from sports wagering must be sourced to the
27 location where the bet is placed.

28 (3) Sports wagering licensees subject to the tax imposed by this
29 chapter must report to the department of revenue the amount of gaming
30 revenue earned by location, and identifying the amount of gaming
31 revenue received from wagers or bets placed.

32 (4) The tax imposed by this chapter must be paid to, and
33 administered by, the department of revenue. The administration of the
34 tax is governed by the provisions of chapter 82.32 RCW.

35 (5) For purposes of this section, "gaming revenue" means the
36 total amount wagered less winnings paid out.

1 NEW SECTION. **Sec. 17.** If a patron does not claim a winning
2 sports pool wager within one year from the time of the event, the
3 obligation of the operator to pay the winnings expires and the
4 operator will retain 50 percent of the winnings and remit the
5 remaining 50 percent of the winnings to the problem gambling account
6 created in RCW 41.05.751. If the sports pool is jointly operated, the
7 operator must apportion the 50 percent of the winnings pursuant to
8 the terms of the parties' operation agreement.

9 NEW SECTION. **Sec. 18.** Wagers may be pooled with wagers from
10 persons who are not physically present in this state if the
11 commission determines that such wagering is not inconsistent with
12 federal law or the law of the jurisdiction, including any foreign
13 nation, in which any such person is located, or such wagering is
14 conducted pursuant to a reciprocal agreement to which the state is a
15 party that is not inconsistent with federal law.

16 NEW SECTION. **Sec. 19.** Sports wagering lounges at which a sports
17 pool is operated are a permitted use in all commercial, retail,
18 industrial, nonresidential, and mixed-use zoning districts of a
19 municipality.

20 **Sec. 20.** RCW 9.46.0335 and 1987 c 4 s 31 are each amended to
21 read as follows:

22 (1) The legislature ((hereby)) authorizes any person,
23 association, or organization to ((conduct sports pools without a
24 license to do so from the commission but only when the outcome of
25 which is dependent upon the score, or scores, of a certain athletic
26 contest and which is conducted only)) conduct sports boards in the
27 following manner:

28 ((~~(1) A board or piece of paper is divided into one hundred equal~~
29 ~~squares, each of which constitutes a chance to win in the sports pool~~
30 ~~and each of which is offered directly to prospective contestants at~~
31 ~~one dollar or less;~~

32 ~~(2))~~ (a) The purchaser of each chance or square signs his or her
33 name on the face of each square or chance he or she purchases; ((and

34 ~~(3))~~ (b) At some time not later than prior to the start of the
35 subject athletic contest, the ((pool)) sports board is closed and no
36 further chances in the ((pool)) sports board are sold;

1 ~~((4))~~ (c) After the ~~((pool))~~ sports board is closed, a
2 prospective score is assigned by random drawing to each square;

3 ~~((5))~~ (d) All money paid by entrants to enter the ~~((pool))~~
4 sports board less taxes is paid out as the prize or prizes to those
5 persons holding squares assigned the winning score or scores from the
6 subject athletic contest;

7 ~~((6))~~ (e) The sports ~~((pool))~~ board is available for inspection
8 by any person purchasing a chance thereon, the commission, or by any
9 law enforcement agency upon demand at all times prior to the payment
10 of the prize;

11 ~~((7))~~ (f) The person or organization conducting the ~~((pool))~~
12 sports board is conducting no ~~((other))~~ more than two sports ~~((pool))~~
13 boards on the same athletic event; and

14 ~~((8) The sports pool conforms)~~ (g) Sports boards must conform
15 to any rules and regulations of the commission ~~((applicable~~
16 ~~thereto))~~, including maximum wager limits set by the commission.

17 (2) For purposes of this section, "sports board" means a board or
18 piece of paper that is divided into 100 equal squares, each of which
19 constitutes a chance to win in the sports pool and each of which is
20 offered directly to prospective contestants.

21 **Sec. 21.** RCW 9.46.153 and 1981 c 139 s 14 are each amended to
22 read as follows:

23 (1) It shall be the affirmative responsibility of each applicant
24 and licensee to establish by clear and convincing evidence the
25 necessary qualifications for licensure of each person required to be
26 qualified under this chapter, as well as the qualifications of the
27 facility in which the licensed activity will be conducted;

28 (2) All applicants and licensees shall consent to inspections,
29 searches and seizures, and the supplying of handwriting examples as
30 authorized by this chapter and rules adopted hereunder;

31 (3) All licensees, and persons having any interest in licensees,
32 including, but not limited to, employees and agents of licensees, and
33 other persons required to be qualified under this chapter or rules of
34 the commission shall have a duty to inform the commission or its
35 staff of any action or omission which they believe would constitute a
36 violation of this chapter or rules adopted pursuant thereto, or a
37 violation of state or federal law. No person who so informs the
38 commission or the staff shall be discriminated against by an
39 applicant or licensee because of the supplying of such information;

1 (4) All applicants, licensees, persons who are operators or
2 directors thereof, and persons who otherwise have a substantial
3 interest therein shall have the continuing duty to provide any
4 assistance or information required or requested by the commission and
5 to investigations conducted by the commission. If, upon issuance of a
6 formal request to answer or produce information, evidence, or
7 testimony, any applicant, licensee or officer or director thereof, or
8 person with a substantial interest therein, refuses to comply, the
9 applicant or licensee may be denied or revoked by the commission;

10 (5) All applicants and licensees shall waive any and all
11 liability as to the state of Washington, its agencies, employees, and
12 agents for any damages resulting from any disclosure or publication
13 in any manner, other than a (~~wilfully~~) willfully unlawful
14 disclosure or publication, of any information acquired by the
15 commission during its licensing (~~of~~), other investigations (~~of~~),
16 inquiries, or hearings;

17 (6) Each applicant or licensee may be photographed for
18 investigative and identification purposes in accordance with the
19 rules of the commission;

20 (7) An application to receive a license under this chapter or
21 rules adopted pursuant thereto constitutes a request for a
22 determination of the applicant's, and those person's with an interest
23 in the applicant, general character, integrity, and ability to engage
24 or participate in, or be associated with, gambling or related
25 activities impacting this state. Any written or oral statement made
26 in the course of an official investigation, proceeding, or process of
27 the commission by any member, employee, or agent thereof, or by any
28 witness, testifying under oath, which is relevant to the
29 investigation, proceeding, or process, is absolutely privileged and
30 shall not impose any liability for slander, libel, or defamation, or
31 constitute any grounds for recovery in any civil action.

32 **Sec. 22.** RCW 9.46.155 and 2003 c 53 s 34 are each amended to
33 read as follows:

34 (1) No (~~applicant or licensee~~) person shall give or provide, or
35 offer to give or provide, directly or indirectly, to any public
36 official (~~of~~), employee, or agent of this state, or any of its
37 agencies or political subdivisions, any compensation or reward, or
38 share of the money or property paid or received through gambling
39 activities, in consideration for obtaining any license,

1 authorization, permission, or privilege to participate in any gaming
2 operations except as authorized by this chapter or rules adopted
3 pursuant thereto.

4 (2) ~~((Violation))~~ No person shall give or provide, or attempt to
5 give or provide, directly or indirectly, any compensation, reward, or
6 thing of value to a sporting event participant, including an athlete,
7 coach, referee, official, medical staff, team, school, league
8 official or employee, or anyone else having actual or potential
9 influence over a sporting event, to influence or require the sporting
10 event participant to manipulate a game or contest as prohibited in
11 chapter 67.04 RCW, or provide confidential or insider information
12 with the intent to use the information to gain an advantage in a
13 gambling activity.

14 (3) Unless otherwise provided in another title or section,
15 violation of this section is a class C felony for which a person,
16 upon conviction, shall be punished by imprisonment for not more than
17 five years or a fine of not more than one hundred thousand dollars,
18 or both.

19 **Sec. 23.** RCW 9.46.210 and 2020 c 127 s 7 are each amended to
20 read as follows:

21 (1) It shall be the duty of all peace officers, law enforcement
22 officers, and law enforcement agencies within this state to
23 investigate, enforce, and prosecute all violations of this chapter.

24 (2) In addition to the authority granted by subsection (1) of
25 this section, law enforcement agencies of cities and counties shall
26 investigate and report to the commission all violations of the
27 provisions of this chapter and of the rules of the commission found
28 by them and shall assist the commission in any of its investigations
29 and proceedings respecting any such violations. Such law enforcement
30 agencies shall not be deemed agents of the commission.

31 (3) In addition to its other powers and duties, the commission
32 shall have the power to enforce the penal provisions of this chapter
33 and chapter 9.--- RCW (the new chapter created in section 37 of this
34 act), as it may be amended, and the penal laws of this state relating
35 to the conduct of or participation in gambling activities, including
36 chapter 9A.83 RCW, and the manufacturing, importation,
37 transportation, distribution, possession, and sale of equipment or
38 paraphernalia used or for use in connection therewith. The director,
39 the deputy director, both assistant directors, and each of the

1 commission's investigators, enforcement officers, and inspectors
2 shall have the power, under the supervision of the commission, to
3 enforce the penal provisions of this chapter and chapter 9.--- RCW
4 (the new chapter created in section 37 of this act), as it may be
5 amended, and the penal laws of this state relating to the conduct of
6 or participation in gambling activities, including chapter 9A.83 RCW,
7 and the manufacturing, importation, transportation, distribution,
8 possession, and sale of equipment or paraphernalia used or for use in
9 connection therewith. They shall have the power and authority to
10 apply for and execute all warrants and serve process of law issued by
11 the courts in enforcing the penal provisions of this chapter and
12 chapter 9.--- RCW (the new chapter created in section 37 of this
13 act), as it may be amended, and the penal laws of this state relating
14 to the conduct of or participation in gambling activities and the
15 manufacturing, importation, transportation, distribution, possession,
16 and sale of equipment or paraphernalia used or for use in connection
17 therewith. They shall have the power to arrest without a warrant, any
18 person or persons found in the act of violating any of the penal
19 provisions of this chapter and chapter 9.--- RCW (the new chapter
20 created in section 37 of this act), as it may be amended, and the
21 penal laws of this state relating to the conduct of or participation
22 in gambling activities and the manufacturing, importation,
23 transportation, distribution, possession, and sale of equipment or
24 paraphernalia used or for use in connection therewith. To the extent
25 set forth above, the commission shall be a law enforcement agency of
26 this state with the power to investigate for violations of and to
27 enforce the provisions of this chapter, as now law or hereafter
28 amended, and to obtain information from and provide information to
29 all other law enforcement agencies.

30 (4) Criminal history record information that includes
31 nonconviction data, as defined in RCW 10.97.030, may be disseminated
32 by a criminal justice agency to the Washington state gambling
33 commission for any purpose associated with the investigation for
34 suitability for involvement in gambling activities authorized under
35 this chapter. The Washington state gambling commission shall only
36 disseminate nonconviction data obtained under this section to
37 criminal justice agencies.

38 (5) In addition to its other powers and duties, the commission
39 may ensure sport integrity and prevent and detect competition
40 manipulation through education and enforcement of the penal

1 provisions of this chapter or chapter 67.04 or 67.24 RCW, or any
2 other state penal laws related to the integrity of sporting events,
3 athletic events, or competitions within the state.

4 (6) In addition to its other powers and duties, the commission
5 may (~~track~~):

6 (a) Establish a sports integrity unit to prevent and detect
7 competition manipulation through education and enforcement of the
8 penal provisions of chapters 9.46, 67.04, and 9.--- RCW (the new
9 chapter created in section 37 of this act), or any other state penal
10 laws needed to protect the integrity of amateur and professional
11 sporting events and contests within the state; and

12 (b) Track and monitor gambling-related transactions occurring
13 within the state to aid in its enforcement of the penal provisions of
14 this chapter (~~to~~), chapters 9A.83, 9.46, and 9.--- (the new chapter
15 created in section 37 of this act) RCW, or any other state penal laws
16 related to suspicious or illegal wagering activities, including the
17 use of funds derived from illegal activity, wagers to conceal or
18 launder funds derived from illegal activity, use of agents to place
19 wagers, or use of false identification by a player.

20 **Sec. 24.** RCW 9.46.240 and 2020 c 127 s 10 are each amended to
21 read as follows:

22 (1) Whoever knowingly transmits or receives gambling information
23 by telephone, telegraph, radio, semaphore, the internet, a
24 telecommunications transmission system, or similar means, or
25 knowingly installs or maintains equipment for the transmission or
26 receipt of gambling information shall be guilty of a class C felony
27 subject to the penalty set forth in RCW 9A.20.021.

28 (2) This section shall not apply to such information transmitted
29 or received or equipment or devices installed or maintained relating
30 to activities authorized by this chapter including, but not limited
31 to, sports wagering authorized under chapter 9.--- RCW (the new
32 chapter created in section 37 of this act), RCW 9.46.0364 and
33 9.46.0368, or to any act or acts in furtherance thereof when
34 conducted in compliance with the provisions of this chapter and in
35 accordance with the rules adopted under this chapter and conducted in
36 accordance with tribal-state compacts.

37 **Sec. 25.** RCW 67.04.010 and 2012 c 117 s 294 are each amended to
38 read as follows:

1 Any person who shall bribe or offer to bribe(~~(7)~~) any (~~(baseball~~
2 ~~player)~~) sporting event participant, including an athlete, coach,
3 referee, official, medical staff, or anyone else having actual or
4 potential influence over a sporting event, with the intent to
5 influence ((his or her play, action, or conduct in any baseball
6 game)) the outcome of a play, game, match, or event, or any person
7 who shall bribe or offer to bribe any ((umpire of a baseball game,
8 with intent to influence him or her to make a wrong decision or to
9 bias his or her opinion or judgment in relation to any baseball game
10 or any play occurring therein, or any person who shall bribe or offer
11 to bribe any manager, or other official of a baseball club, league,
12 or association, by whatsoever name called, conducting said game of
13 baseball to throw or lose a game of baseball)) team, school, or
14 league official or employee to obtain confidential or insider
15 information on a player, team, or coach with the intent to violate
16 this chapter or use the information to gain a gambling advantage in
17 violation of chapters 9.46 and 9.--- RCW (the new chapter created in
18 section 37 of this act), shall be guilty of a ((gross misdemeanor))
19 class B felony.

20 **Sec. 26.** RCW 67.04.020 and 2012 c 117 s 295 are each amended to
21 read as follows:

22 Any (~~(baseball player)~~) sporting event athlete, player, or
23 participant who shall accept or agree to accept(~~(7)~~) a bribe offered
24 for the purpose of wrongfully influencing his or her play, action,
25 decision making, or conduct in any (~~(baseball game)~~) sporting event,
26 or any umpire ((of a baseball game)), official, referee, or any other
27 person responsible for implementing game or event rules and scoring
28 who shall accept or agree to accept a bribe offered for the purpose
29 of influencing him or her to make a wrong decision, or biasing his or
30 her opinions, rulings, or judgment with regard to any play, or any
31 ((manager of a baseball club, or club)) person, including an owner,
32 manager, coach, medical staff, official, employee of a team,
33 organization, or league official, who shall accept(~~(7)~~) or agree to
34 accept(~~(7)~~) any bribe offered for the purpose of inducing him or her
35 to manipulate a game or contest, including to lose or cause to be
36 lost any ((baseball)) game or contest, as set forth in RCW 67.04.010,
37 shall be guilty of a ((gross misdemeanor)) class C felony.

1 **Sec. 27.** RCW 67.04.030 and 2012 c 117 s 296 are each amended to
2 read as follows:

3 To complete the offenses mentioned in RCW 67.04.010 and
4 67.04.020, it shall not be necessary that (~~the baseball~~) a player,
5 manager, umpire, (~~or~~) official, or anyone else having actual or
6 potential influence over a sporting event shall, at the time, have
7 been actually employed, selected, or appointed to perform his or her
8 respective duties; it shall be sufficient if the bribe be offered,
9 accepted, or agreed to with the view of probable employment,
10 selection, or appointment of the person to whom the bribe is offered,
11 or by whom it is accepted. Neither shall it be necessary that such
12 (~~baseball~~) player, umpire, (~~or~~) manager, official, or anyone else
13 having actual or potential influence over a sporting event actually
14 play or participate in a game or games concerning which said bribe is
15 offered or accepted; it shall be sufficient if the bribe be given,
16 offered, or accepted in view of his or her possibly participating
17 therein.

18 **Sec. 28.** RCW 67.04.040 and 2012 c 117 s 297 are each amended to
19 read as follows:

20 By a "bribe" as used in RCW 67.04.010 through 67.04.080, is meant
21 any gift, emolument, money or thing of value, testimonial, privilege,
22 appointment, or personal advantage, or the promise of either,
23 bestowed or promised for the purpose of influencing, directly or
24 indirectly, any (~~baseball~~) player, manager, umpire, club or league
25 official, or anyone else having actual or potential influence over a
26 sporting event to see which game an admission fee may be charged, or
27 in which game of (~~baseball~~) any player, manager, (~~or~~) umpire,
28 official, or anyone else having actual or potential influence over a
29 sporting event is paid any compensation for his or her services. Said
30 bribe as defined in RCW 67.04.010 through 67.04.080 need not be
31 direct; it may be such as is hidden under the semblance of a sale,
32 bet, wager, payment of a debt, or in any other manner designed to
33 cover the true intention of the parties.

34 **Sec. 29.** RCW 67.04.050 and 2012 c 117 s 298 are each amended to
35 read as follows:

36 Any (~~baseball~~) player, manager, umpire, referee, official, or
37 club or league (~~official~~) employee who shall commit any willful act
38 of omission or commission in playing, or directing the playing, of a

1 ((baseball)) game, sporting event, or contest, with intent to
2 ((cause)) manipulate a sporting event, including causing the ((ball
3 club)) team, with which he or she is affiliated, to lose a
4 ((baseball)) game or event; or any umpire, referee, or official
5 officiating in a ((baseball)) game or event, or any club or league
6 ((official)) employee who shall commit any willful act connected with
7 his or her official duties for the purpose and with the intent to
8 ((cause)) manipulate a sporting event, including causing a ((baseball
9 club)) team to win or lose a ((baseball)) game or event, which it
10 would not otherwise have won or lost under the rules governing the
11 playing of said game, shall be guilty of a ((gross misdemeanor))
12 class C felony.

13 **Sec. 30.** RCW 67.04.060 and 1921 c 181 s 6 are each amended to
14 read as follows:

15 In all prosecutions under RCW 67.04.010 through 67.04.080, the
16 venue may be laid in any county where the bribe herein referred to
17 was given, offered or accepted, or in which the ((baseball game))
18 sporting event or contest was played in relation to which the bribe
19 was offered, given or accepted, or the acts referred to in RCW
20 67.04.050 committed.

21 **Sec. 31.** RCW 67.04.070 and 2012 c 117 s 299 are each amended to
22 read as follows:

23 Nothing in RCW 67.04.010 through 67.04.080 shall be construed to
24 prohibit the giving or offering of any bonus or extra compensation to
25 any manager ((or baseball)), player, coach, or other persons
26 connected with a collegiate or professional team, organization, or
27 league by any person to encourage such manager or player to a higher
28 degree of skill, ability, or diligence in the performance of his or
29 her duties.

30 **Sec. 32.** RCW 67.04.080 and 1921 c 181 s 8 are each amended to
31 read as follows:

32 RCW 67.04.010 through 67.04.080 shall apply only to ((baseball
33 league and club officials)) sporting event leagues, teams, players,
34 referees, umpires, managers ((and players)), or anyone else having
35 actual or potential influence over a sporting event who act in
36 ((such)) their official capacity in ((games)) sporting events or

1 contests where the public is generally invited to attend and ((
2 ~~general admission~~)) an entrance fee is charged.

3 NEW SECTION. **Sec. 33.** A new section is added to chapter 82.04
4 RCW to read as follows:

5 This chapter does not apply to any person in respect to a
6 business activity with respect to which tax liability is specifically
7 imposed under chapter 9.--- RCW (the new chapter created in section
8 37 of this act).

9 NEW SECTION. **Sec. 34.** RCW 67.24.010 is recodified as a section
10 in chapter 67.04 RCW.

11 NEW SECTION. **Sec. 35.** RCW 67.24.020 (Scope of 1945 c 107) is
12 decodified.

13 NEW SECTION. **Sec. 36.** If any provision of this act or its
14 application to any person or circumstance is held invalid, the
15 remainder of the act or the application of the provision to other
16 persons or circumstances is not affected.

17 NEW SECTION. **Sec. 37.** Sections 1 through 19 of this act
18 constitute a new chapter in Title 9 RCW.

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