

Title 230 WAC

GAMBLING COMMISSION

Chapters

- 230-02** General provisions and definitions.
- 230-04** Licensing.
- 230-08** Records and reports.
- 230-12** Rules of general applicability.
- 230-20** Bingo, raffles and amusement games.
- 230-25** Fund-raising events.
- 230-30** Punchboards and pull tabs.
- 230-40** Card games.
- 230-46** Unlicensed activities.
- 230-48** Tribal casinos.
- 230-50** Hearings—Practice and procedure.
- 230-60** Public records—Disclosure.

DISPOSITION OF CHAPTERS FORMERLY CODIFIED IN THIS TITLE

Chapter 230-42

TAX ON COIN-OPERATED GAMING DEVICES

- 230-42-010 Tax on coin-operated gambling device. [Statutory Authority: RCW 9.46.115. 81-13-032 (Order 109), § 230-42-010, filed 6/15/81; Order 74, § 230-42-010, filed 8/17/77; Order 58, § 230-42-010, filed 8/17/76; Order 51, § 230-42-010, filed 4/30/76.] Repealed by 84-13-038 (Order 140), filed 6/15/84. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19).

Chapter 230-02 WAC

GENERAL PROVISIONS AND DEFINITIONS

WAC

- 230-02-010 Washington state gambling commission—Purpose and organization.
- 230-02-020 Time and place of meetings.
- 230-02-022 Cost defined.
- 230-02-030 Normal commission operations—Administrative office address and business hours.
- 230-02-035 Field offices and operations.
- 230-02-040 Commission activities exempt from Environmental Protection Act.
- 230-02-100 Definitions.
- 230-02-102 Bingo occasion defined.
- 230-02-104 Bingo session defined.
- 230-02-105 Annual measurement period—Defined.
- 230-02-108 Gambling proceeds defined.
- 230-02-110 Gross gambling receipts defined.
- 230-02-120 Net gambling receipts defined.
- 230-02-123 Charitable or nonprofit organizations—Net return defined.
- 230-02-130 Net gambling income defined.
- 230-02-135 Gross sales defined.
- 230-02-137 Excessive reserves defined.
- 230-02-138 Positive cash flow from the bingo operation—Defined.
- 230-02-140 Person defined.
- 230-02-155 Bona fide charitable organization defined.
- 230-02-160 Charitable defined.
- 230-02-161 Bona fide nonprofit organization defined.
- 230-02-162 Functional expenses defined.
- 230-02-163 Educational defined.
- 230-02-166 Civic defined.

- 230-02-169 Patriotic defined.
- 230-02-173 Political defined.
- 230-02-176 Religious defined.
- 230-02-179 Social defined.
- 230-02-182 Fraternal defined.
- 230-02-183 Active member defined.
- 230-02-185 Athletic defined.
- 230-02-188 Agricultural defined.
- 230-02-191 Agricultural fair defined.
- 230-02-200 Operator defined.
- 230-02-210 Distributor defined.
- 230-02-220 Distributor's representative defined.
- 230-02-225 Manufacturer's representative defined.
- 230-02-230 Manufacturer defined.
- 230-02-240 Commercial gambling manager defined.
- 230-02-250 Bingo equipment.
- 230-02-260 Pull tab defined.
- 230-02-270 Punchboard defined.
- 230-02-278 Program service expenses defined.
- 230-02-279 Supporting service expenses defined.
- 230-02-280 Identification and inspection services stamps.
- 230-02-290 Records entry labels.
- 230-02-300 Substantial interest holder defined.
- 230-02-310 Bona fide newspaper or magazine defined.
- 230-02-350 Commercial stimulant defined.
- 230-02-360 Licensed premises defined.
- 230-02-362 Primary market area defined.
- 230-02-364 Secondary market area defined.
- 230-02-366 Impact market area defined.
- 230-02-370 Food and/or drink business defined.
- 230-02-380 Established business defined.
- 230-02-400 Card game.
- 230-02-405 Specific authorized card games.
- 230-02-410 Public card room.
- 230-02-415 Public card room employee defined.
- 230-02-418 Charitable or nonprofit gambling manager defined.
- 230-02-420 Social card room.
- 230-02-430 Guest.
- 230-02-440 Calendar day defined.
- 230-02-450 Three consecutive days defined.
- 230-02-455 Social pastime defined.
- 230-02-500 Drawing defined.
- 230-02-503 Fund raising defined.
- 230-02-505 Recreational gaming activity—Defined.
- 230-02-510 Amusement device defined.
- 230-02-511 Attended amusement game defined.
- 230-02-512 Commercial amusement game operator defined.
- 230-02-514 Coin or token activated amusement games defined.
- 230-02-515 School hours defined.
- 230-02-520 School-aged minors defined.
- 230-02-530 Circumstances outside the control of the licensee—Defined.
- 230-02-535 Permanent interruption of customer flow—Defined.
- 230-02-540 Temporary interruption of customer flow—Defined.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

- 230-02-125 Adjusted net gambling receipts defined. [Statutory Authority: RCW 9.46.070. 94-11-095 (Order 251), § 230-02-125, filed 5/17/94, effective 7/1/94; 88-19-038 (Order 183), § 230-02-125, filed 9/13/88. Statutory Authority: Chapter 9.46 RCW. 86-19-056 (Order 161), § 230-02-125, filed 9/15/86, effective 1/1/87.] Repealed by 95-09-061 (Order 267), filed 4/18/95, effective 5/19/95. Statutory Authority: RCW 9.46.070 and 9.46.0217.

230-02-150 Immediate family defined. [Order 5, § 230-02-150, filed 12/19/73.] Repealed by 89-11-048 (Order 192), filed 5/16/89. Statutory Authority: RCW 9.46.070 (8), (11) and (14).

WAC 230-02-010 Washington state gambling commission—Purpose and organization. (1) Purpose - The Washington state gambling commission, hereinafter called "the commission," is created pursuant to RCW 9.46.040 as the licensing and regulatory agency charged with the authority and duty to control statutorily authorized nonprofessional gambling. Where appropriate, the term "commission" also refers to the staff and employees of the commission. In order to carry out the assigned duties and responsibilities, the legislature designated the commission as a law enforcement agency with the powers to investigate all gambling and associated activities and enforce the provisions of chapter 9.46 RCW.

(2) Organization - The commission is comprised of five part-time members, four ex officio members, and a full time staff.

(a) Commission members - Five citizens, all appointed by the governor with the consent of the state senate for six-year staggered terms. One member is annually elected as chairperson. Commissioners serve part-time as necessary and otherwise as directed by the chairperson.

(b) Ex officio members - Two members each from the senate and the house of representatives, one each from the majority and minority political parties. Members are appointed for two year terms by the president of the senate and speaker of the house of representatives, respectively. Ex officio members do not vote on matters before the commission for review.

(c) Staff - The commission staff is organized under a director, a deputy director, and three assistant directors pursuant to RCW 9.46.080. The director, the deputy director, the assistant directors, and all staff required to perform undercover duties are exempt from the provisions of chapter 41.06 RCW. Staff duties and responsibilities are as follows:

(i) Director - The director is appointed by the commission as its administrator for carrying out its powers and duties. The director ensures that staff and other resources are available to carry out the purposes and provisions of chapter 9.46 RCW. The director is directly responsible for matters pertaining to public relations, research, contracts, agreements, and legal problems.

(ii) Deputy director - The deputy director is appointed by the director with responsibilities of making decisions and carrying out duties delegated by the director: *Provided*, That those duties specifically enumerated in WAC 230-12-900 may not be delegated to the deputy director.

(iii) Assistant directors - Assistant directors are appointed by the director with the responsibilities for the day-to-day management of the various operational sections of the commission and advising the director regarding matters necessary to carry out the provisions of chapter 9.46 RCW.

[Statutory Authority: RCW 9.46.070. 95-07-095, § 230-02-010, filed 3/17/95, effective 7/1/95. Statutory Authority: Chapter 34.05 RCW. 90-03-064 (Order 203), § 230-02-010, filed 1/18/90, effective 2/18/90. Statutory Authority: RCW 9.46.070(13). 79-07-019 (Order 90), § 230-02-010, filed 6/14/79; Order 42, § 230-02-010, filed 9/18/75; Order 5, § 230-02-010, filed 12/19/73.]

WAC 230-02-020 Time and place of meetings. Regular public meetings of the commission shall normally be held quarterly at the hour of 10:00 a.m., date and place to be set by the commission with at least two weeks advance notice. Additional public meetings necessary to discharge the business of the commission may be called from time to time.

[Statutory Authority: RCW 9.46.050(3) and 9.46.070 (1), (2) and (11). 86-15-025 (Order 159), § 230-02-020, filed 7/14/86. Statutory Authority: RCW 9.46.020 (20)(d), 9.46.050(3) and 9.46.070 (1), (2), (5), (8), (9), (11) and (12). 85-03-026 (Order 144), § 230-02-020, filed 1/9/85; Order 78, § 230-02-020, filed 11/17/77; Order 62, § 230-02-020, filed 10/15/76; Order 51, § 230-02-020, filed 4/30/76; Order 5, § 230-02-020, filed 12/19/73.]

WAC 230-02-022 Cost defined. "Cost" means the monetary value paid or owed by the purchaser, for any gambling or nongambling product or service, at the time of the transaction and documented on the sales receipt/transfer document. "Cost" excludes all sales taxes paid by the purchaser. "Cost" does not include any markup or value added by the purchaser.

[Statutory Authority: RCW 9.46.070 (1)(16). 90-10-007, § 230-02-022, filed 4/19/90, effective 7/1/90. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-02-022, filed 11/27/89, effective 12/28/89.]

WAC 230-02-030 Normal commission operations—Administrative office address and business hours. (1) The administrative office of the commission is located in Lacey, Washington. Services available are administration, information, licensing, investigation, activity report processing, and public records. Unless specifically provided elsewhere in these rules, applications for licenses, submission of materials or requests for notices or information of any kind, may be made by addressing correspondence to:

Mailing Address	Location Address
Washington State Gambling Commission P.O. Box 42400 Olympia, WA 98504-2400	Washington State Gambling Commission 649 Woodland Square Loop S.E. Lacey, WA 98503

(2) Normal business hours for the administrative office, unless specifically provided elsewhere in these rules, shall be 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding legal holidays.

[Statutory Authority: RCW 9.46.070. 94-11-095 (Order 251), § 230-02-030, filed 5/17/94, effective 7/1/94. Statutory Authority: RCW 9.46.070(18). 90-15-044, § 230-02-030, filed 7/16/90, effective 8/16/90. Statutory Authority: RCW 9.46.070(14). 89-13-059 (Order 193), § 230-02-030, filed 6/20/89. Statutory Authority: RCW 9.46.030 (2), (3) and 9.46.070 (11), (14). 83-19-024 (Order 136), § 230-02-030, filed 9/13/83. Statutory Authority: RCW 9.46.070(13). 80-09-067 (Order 103), § 230-02-030, filed 7/17/80; Order 51, § 230-02-030, filed 4/30/76; Order 23, § 230-02-030, filed 9/23/74; Order 5, § 230-02-030, filed 12/19/73.]

WAC 230-02-035 Field offices and operations. The administrative office of the commission and its staff is located at 649 Woodland Square Loop, S.E., Lacey, WA 98503-8121. The mailing address is: P.O. Box 42400, Olympia, WA 98504-2400. Commission offices located in other cities are as follows:

City		Telephone Number
Eastern Region	N 901 Monroe, Rm. 240 Spokane 99201	(509) 456-3167
	502 W. Nob Hill Blvd. Suite #1, Yakima 98902	(509) 575-2820
	P.O. Box 2067, Wenatchee 98801	(509) 662-0435
Northwest Region	Fisher Business Center 3500 188th St. SW, Suite 601, Lynnwood 98037	(206) 776-6751
	851 Coho Way #201 Bellingham 98225	(360) 738-6203
Southwest Region	Tacoma Mall Office Building - 4301 Pine St. #307 Tacoma 98409-7206	(206) 593-2227

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-02-105, filed 11/21/96, effective 12/22/96.]

WAC 230-02-108 Gambling proceeds defined. For purposes of this title, "gambling proceeds" means:

(1) All moneys remaining from the operation of any gambling activity after payment of prizes and necessary expenses. Expenses are deemed to be necessary when the activity can not be operated without such, or they improve the overall profitability of the activity by increasing gross gambling receipts more than the corresponding increase in expenses; and

(2) All assets obtained with moneys generated from gambling activities. All assets of the organization are presumed to be obtained with gambling proceeds unless the organization maintains complete separation of funds generated from nongambling sources from funds generated from gambling activities.

[Statutory Authority: RCW 9.46.070 and chapter 34.05 RCW. 96-13-068 (Order 294), § 230-02-035, filed 6/18/96, effective 7/19/96. Statutory Authority: RCW 9.46.070. 93-06-011 (Order 237), § 230-02-035, filed 2/19/93, effective 3/22/93. Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-02-035, filed 11/27/89, effective 12/28/89.]

[Statutory Authority: RCW 9.46.070, 9.46.0261 and 9.46.0209. 94-01-035, § 230-02-108, filed 12/6/93, effective 1/6/94.]

WAC 230-02-040 Commission activities exempt from Environmental Protection Act. The commission has reviewed its authorized activities and has found them to be exempt pursuant to WAC 197-10-040(2), 197-10-150 through 197-10-190 and the State Environmental Policy Act, chapter 43.21C RCW.

[Order 55, § 230-02-040, filed 6/25/76.]

WAC 230-02-110 Gross gambling receipts defined.

"Gross gambling receipts" means the monetary value that would be due to any operator of a gambling activity for any chance taken, for any table fees for card playing, other fees for participation, or rent and lease fees for amusement games received by commercial amusement game operations, as evidenced by required records. The value shall be stated in U.S. currency, before any deductions for prizes or any other expenses. In the absence of records, gross gambling receipts shall be the maximum that would be due to an operator from that particular activity if operated at maximum capacity.

[Statutory Authority: Chapter 9.46 RCW. 91-21-053 (Order 228), § 230-02-110, filed 10/15/91, effective 11/15/91; 86-19-056 (Order 161), § 230-02-110, filed 9/15/86, effective 1/1/87; Order 5, § 230-02-110, filed 12/19/73.]

WAC 230-02-100 Definitions. Words and terms used in these rules and regulations shall have the same meaning as each has under chapter 9.46 RCW unless otherwise specifically provided in these rules, or the context in which they are used in these rules clearly indicates that they be given some other meaning.

[Order 42, § 230-02-100, filed 9/18/75; Order 5, § 230-02-100, filed 12/19/73.]

WAC 230-02-120 Net gambling receipts defined.

"Net gambling receipts" means all gross gambling receipts from any gambling activity, less the monetary value or, in the case of merchandise, the actual cost, of any prizes that were awarded.

[Statutory Authority: Chapter 9.46 RCW. 86-19-056 (Order 161), § 230-02-120, filed 9/15/86, effective 1/1/87; Order 5, § 230-02-120, filed 12/19/73.]

WAC 230-02-102 Bingo occasion defined. A bingo occasion is a period of time beginning when the first number in the first session is called and ending when the last winning number on the final winning bingo card of the last session has been verified.

[Statutory Authority: RCW 9.46.070 (1), (8), (9), (11), (13), (14), (20). 95-23-091, § 230-02-102, filed 11/20/95, effective 1/1/96.]

WAC 230-02-123 Charitable or nonprofit organizations—Net return defined.

"Net return" is the total amount of return from the operation of bingo games after payment of reasonable prizes and necessary expenses. Net return is expressed as a percent of bingo gross gambling receipts and is computed by dividing bingo gross gambling receipts into the combined net income from bingo games, punchboards/pull tabs, amusement games, raffles conducted in conjunction with bingo games, and food, drink, or other retail sales activities conducted in conjunction with bingo games. For purposes of computing net return, local gambling taxes for bingo, punchboards/pull tabs, and amusement games, whether paid or accrued, will be added to the accounting net income.

WAC 230-02-104 Bingo session defined. A bingo session means a continuous series of bingo games with no breaks other than short intermission breaks.

[Statutory Authority: RCW 9.46.070 (1), (8), (9), (11), (13), (14), (20). 95-23-091, § 230-02-104, filed 11/20/95, effective 1/1/96.]

WAC 230-02-105 Annual measurement period—Defined. "Annual measurement period" means the licensee's fiscal year as set forth in the license application.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-02-123, filed 11/21/96, effective 12/22/96.]

WAC 230-02-130 Net gambling income defined.

"Net gambling income" means net gambling receipts, less all other expenses related to the operation of a licensed activity [actually] [and] paid out during the same period of time: *Provided*, That expenses must be reported on the accrual [accrual] basis if the records are normally maintained on that basis.

[Statutory Authority: Chapter 9.46 RCW. 86-19-056 (Order 161), § 230-02-130, filed 9/15/86, effective 1/1/87; Order 5, § 230-02-130, filed 12/19/73.]

Reviser's note: RCW 34.05.395 requires the use of underlining and deletion marks to indicate amendments to existing rules, and deems ineffectual changes not filed by the agency in this manner. The bracketed material in the above section does not appear to conform to the statutory requirement.

WAC 230-02-135 Gross sales defined.

"Gross sales" means the monetary value actually received for all nongambling goods and services, sold or occurring on the licensed gambling premises. The value shall be stated in U.S. currency and net of any sales taxes or discounts. Income received from sales made on behalf of others or in partnership with third parties, commission income, or income splitting schemes, shall be recorded at the net monetary value actually realized by the licensed business.

[Statutory Authority: Chapter 9.46 RCW. 86-19-056 (Order 161), § 230-02-135, filed 9/15/86, effective 1/1/87.]

WAC 230-02-137 Excessive reserves defined.

An organization has excessive reserves if the total amount of the organization's cash, cash equivalents, or other assets that would not normally be associated with providing programs or fund-raising activities is greater than the sum of:

- (1) The licensee's current liabilities (debts due within one year); plus
- (2) Total functional expenses during the most recently completed fiscal year; plus
- (3) The average net income or loss from combined gambling and retail sales conducted in conjunction with gambling activities for a three-month period, calculated by dividing annual net gambling and retail sales income or loss by four: *Provided*, That funds reserved to start or expand specific programs will be excluded from the computation of excessive reserves, as authorized by WAC 230-08-255(3), with approval by the commission's director.

[Statutory Authority: RCW 9.46.070 (1), (8-11), (14), (16), (20). 96-07-075, § 230-02-137, filed 3/19/96, effective 7/1/96.]

WAC 230-02-138 Positive cash flow from the bingo operation—Defined.

"Positive cash flow from the bingo operation" means operating bingo games and associated activities at an income and expense level that does not require the use of the licensee's cash or investment resources to sustain the bingo game operation. A licensee will be deemed to have a "positive cash flow" from the bingo operation during any measurement period when the combined gross income of the operation during that same measurement period, less all prizes and expenses, whether

paid or accrued, is greater than zero. For purposes of computing total expenses for this section, the use of resources that do not require a current use of funds, such as amortization and depreciation of assets shall not be considered an expense of the bingo operation.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-02-138, filed 11/21/96, effective 12/22/96.]

WAC 230-02-140 Person defined.

"Person" means and includes any individual, firm or partnership, corporation or other association of individuals either natural or legal. The use of the masculine pronoun in these rules includes the feminine and the neuter.

[Order 5, § 230-02-140, filed 12/19/73.]

WAC 230-02-155 Bona fide charitable organization defined.

A bona fide charitable organization is an organization that meets all of the requirements of RCW 9.46.0209 and is organized and operated primarily to provide charitable services as defined by WAC 230-02-160. Each charitable organization shall provide evidence of its charitable status by submitting documentation setting forth the progress it has made toward accomplishing its charitable purpose(s) during its previous fiscal year. This statement and other evidence such as articles of incorporation, bylaws, and the fact that donations to such organization qualify as tax deductible contributions for federal income tax purposes, shall be taken into account when determining charitable organization status.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-02-155, filed 4/18/89, effective 7/1/89.]

WAC 230-02-160 Charitable defined.

For the purposes of this title, charitable, eleemosynary and benevolent are synonymous and mean: The relief of poverty, indigence and/or personal distress; help for disadvantaged persons; treatment and prevention of physical or mental distress. Services must be provided free of charge or for a fee which does not exceed the cost of providing the service. Any organization that requires a fee must utilize the revenue collected to continue its program services. In accordance with all state and federal law on discrimination, there can be no discrimination in providing services among those recipients chosen by the licensee. Corporations which have been incorporated under Title 36, U.S.C. for the principal purposes of furnishing volunteer aid to members of the armed forces of the United States and to carry on a system of national relief of suffering caused by pestilence, famine, fire, floods, and other national calamities or undertakes measures to prevent such are deemed to be charitable under this section. Charitable encompasses at least the following activities:

- (1) Relief of the aged and disadvantaged in the form of food, clothing, shelter, or health care;
- (2) Services or material assistance that will enable persons to maintain an adequate standard of living and/or improve their quality of life by raising their standard of living above the federal poverty level;
- (3) Programs for youths, 17 years old or younger, that assists them in learning and practicing the cultural and social skills necessary to:

- (a) Integrate them into society;
- (b) Improve their physical fitness; or
- (c) Prevent delinquency;
- (4) Advancement of education and learning which benefit and improve the quality of life of the general public or the community at large;
- (5) Advancement of a religion; and
- (6) Activities which reduce the burdens of government.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-02-160, filed 4/18/89, effective 7/1/89.]

WAC 230-02-161 Bona fide nonprofit organization defined. A bona fide nonprofit organization is a organization that meets all of the requirements of RCW 9.46.0209 and is organized and operated primarily to provide one or more of the following nonprofit services:

- (1) Educational;
- (2) Civic;
- (3) Patriotic;
- (4) Political;
- (5) Social;
- (6) Fraternal;
- (7) Athletic;
- (8) Agricultural;
- (9) Church and religious societies under chapter 24.12 RCW;
- (10) Fraternal societies under chapter 24.20 RCW;
- (11) Granges under chapter 24.28 RCW; and
- (12) Agricultural fairs under chapter 15.76 RCW or chapter 36.37 RCW.

Each nonprofit organization shall provide evidence of its nonprofit status by submitting documentation setting forth the progress it has made toward accomplishing its nonprofit purposes during its previous fiscal year. The fact that an organization is not exempt from payment of federal income taxes on income from its primary activities shall be prima facie evidence that the organization is not a nonprofit organization for purposes of conducting gambling activities.

[Statutory Authority: RCW 9.46.0209. 94-07-084 (Order 250), § 230-02-161, filed 3/16/94, effective 4/16/94. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-02-161, filed 4/18/89, effective 7/1/89.]

WAC 230-02-162 Functional expenses defined. Functional expenses are those an organization incurs toward accomplishing its stated purposes. For purposes of calculation, this includes program service expenses, as defined by WAC 230-02-278, and supporting service expenses, as defined by WAC 230-02-279.

[Statutory Authority: RCW 9.46.070 (1), (8-11), (14), (16), (20). 96-07-075, § 230-02-162, filed 3/19/96, effective 7/1/96.]

WAC 230-02-163 Educational defined. Educational means providing instruction or training to individuals for the purpose of improving or developing their capabilities, or providing instruction to the public on subjects useful to individuals and beneficial to the community.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-02-163, filed 4/18/89, effective 7/1/89.]

WAC 230-02-166 Civic defined. Civic means promoting social welfare for the common good of the community by bringing about civic betterment and social improvements.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-02-166, filed 4/18/89, effective 7/1/89.]

WAC 230-02-169 Patriotic defined. Patriotic means promoting patriotism, Americanism, loyalty, support, and love of country. Normal activities conducted by veteran groups would be included in this definition.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-02-169, filed 4/18/89, effective 7/1/89.]

WAC 230-02-173 Political defined. Political means the process of electing candidates to public or party offices. Activities conducted with the goal of influencing executive action, legislation or WAC rules are considered lobbying activities and not included under this definition.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-02-173, filed 4/18/89, effective 7/1/89.]

WAC 230-02-176 Religious defined. Religious means advancement of a sincerely held theological philosophy. Included are the practices and rituals associated with the beliefs or creed of those groups of people which form a church, religious society, congregation, or religious denomination, when such practices or rituals are not illegal or against public policy. Corporations sole, as set out in chapter 24.12 RCW; are encompassed in this definition.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-02-176, filed 4/18/89, effective 7/1/89.]

WAC 230-02-179 Social defined. Social means providing recreation, recreational facilities, and/or other activities when solely for the pleasure of a membership.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-02-179, filed 4/18/89, effective 7/1/89.]

WAC 230-02-182 Fraternal defined. Fraternal means promoting and carrying on activities for the common interests of a membership and is organized under the lodge system which is comprised of local self-governing branches, chartered by a parent organization. Incorporated fraternal societies, as set out in chapter 24.20 RCW, are also encompassed under this definition.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-02-182, filed 4/18/89, effective 7/1/89.]

WAC 230-02-183 Active member defined. For purposes of this title, "active member" means an individual who is a "bona fide member," as defined by RCW 9.46.0261, and meets all of the requirements set out below:

- (1) Did not join the organization specifically to participate in, or be an operator or manager of, gambling activities;
- (2) Is authorized to vote in the election of officers or board members who determine the policies of the organization;
- (3) Has been a member for at least twelve months preceding an application for a gambling license, or has been

accepted as a member according to guidelines set out in the organization's bylaws and such acceptance recorded in the official minutes of a regular membership meeting: *Provided*, That the minimum time provision does not apply to board members or directors if the organization's membership consists entirely of board members or directors elected or appointed for a limited term;

(4) Complies with membership criteria, as set out in the organization's bylaws;

(5) Lives within the boundaries of Washington state or, if outside the state boundaries, lives within one hundred miles of the main administrative offices of the organization which is located within Washington state: *Provided*, That the director may waive the requirements of this subsection for organizations applying for a license to conduct raffles only;

(6) Is at least eighteen years old: *Provided*, That the director may waive this provision when:

(a) The organization's primary purpose is the development of youth;

(b) The organization is applying for a license to conduct only raffles or amusement games;

(c) The organization has at least three members or advisors that are at least eighteen years of age who supervise the operation of the activity; and

(d) One of the adult members or advisors shall be designated as the manager of the activity. This member shall be responsible for ensuring that all activities are operated in accordance with all requirements of the commission and shall attend training required by WAC 230-04-020;

(7) Has participated directly in the activities conducted by the organization over the past twelve months. For purposes of this section, participation by a member in any of the following activities during the twelve-month period immediately preceding an application for certification shall be prima facie evidence of direct participation:

(a) Attended at least one regular membership meeting; or

(b) Voted in person or, if authorized by the organization's bylaws, by proxy at a meeting at which officers and/or board members were elected; or

(c) Has been actively involved in policy setting for the organization by serving as a member of the board of directors or a similar policy setting position; or

(d) Has paid dues imposed by the organization; or

(e) Has served as a volunteer providing services or raising funds from nongambling sources; or

(f) Has maintained a level of communications with the organization that would allow them to demonstrate in-depth knowledge regarding the activities of the organization. In-depth knowledge would include:

(i) The types of program services provided;

(ii) The scope of program services provided;

(iii) Sources and levels of funding available to the organization; and

(iv) Key plans, including major programs and capital projects.

(8) Incorporated towns or cities applying for a license to conduct gambling activities are exempted from all requirements of this section. The citizens of an incorporated town or city, who are registered to vote in the election for

the mayor or governing body of such town or city, are deemed to be "active members" of such towns and cities.

[Statutory Authority: RCW 9.46.070, 95-07-093, § 230-02-183, filed 3/17/95, effective 7/1/95. Statutory Authority: RCW 9.46.070, 9.46.0261 and 9.46.0209, 94-01-035, § 230-02-183, filed 12/6/93, effective 1/6/94.]

WAC 230-02-185 Athletic defined. Athletic means activities which provide entertainment/pleasure or which promote physical fitness, sportsmanship, and development of amateur athletes through the conducting of athletic contests and training programs. For purposes of this title, athletic is further defined in the following categories:

(1) Educational - The training of youth 17 years old and younger to enhance normal physical and social development and to prevent juvenile delinquency;

(2) Patriotic - Fostering and promoting national and international amateur competition; and

(3) Recreational - Providing recreational activities for adults.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20), 89-09-047 (Order 190), § 230-02-185, filed 4/18/89, effective 7/1/89.]

WAC 230-02-188 Agricultural defined. Agricultural means promoting the art or science of cultivating land, harvesting crops or aquatic resources, or raising livestock. Incorporated granges as set out in chapter 24.28 RCW are encompassed within this definition.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20), 89-09-047 (Order 190), § 230-02-188, filed 4/18/89, effective 7/1/89.]

WAC 230-02-191 Agricultural fair defined. Agricultural fair means those activities authorized by chapter 15.76 RCW and chapter 36.37 RCW and includes the exhibition of livestock, agricultural produce of all kinds, products of the farm home and educational contests, and displays and demonstrations designed to train youth and promote the welfare of farm and rural living.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20), 89-09-047 (Order 190), § 230-02-191, filed 4/18/89, effective 7/1/89.]

WAC 230-02-200 Operator defined. An "operator" is any person who purchases or otherwise receives equipment for use in authorized gambling activities, including but not limited to punchboards or pull tabs, with or without any merchandise to be awarded as prizes in connection with the operation of said equipment, from a manufacturer or distributor, and who operates or displays said equipment for use upon payment of a consideration.

[Order 5, § 230-02-200, filed 12/19/73.]

WAC 230-02-210 Distributor defined. A "distributor" is any person who purchases or otherwise obtains a completed piece of equipment for use in authorized gambling activities, including but not limited to punchboards or pull tabs, from any person and sells or otherwise furnishes such equipment, with or without merchandise to be awarded as prizes in connection therewith, to another person for the resale of or the display or operation of that equipment. A manufacturer who sells or otherwise furnishes such equipment not manufactured by him to any other person for resale

or for display or operation of that equipment is also a "distributor."

As used in these rules, the term "distributor" shall include a person who services and repairs pull tab dispensing devices, bingo equipment, or any other authorized gambling equipment and makes no addition, modification or alteration of the device.

The term "distributor" does not include persons that perform routine maintenance, such as lubrication, cleaning, replacement of electrical fuses or bulbs, or other activities that are not directly related to the operation of the equipment.

[Statutory Authority: RCW 9.46.070(4) and 9.46.215. 95-19-071, § 230-02-210, filed 9/18/95, effective 1/1/96. Statutory Authority: RCW 9.46.070. 94-01-033 § 230-02-210, filed 12/6/93, effective 1/6/94. Statutory Authority: RCW 9.46.070(4). 81-09-055 (Order 106), § 230-02-210, filed 4/17/81; Order 80, § 230-02-210, filed 12/28/77; Order 5, § 230-02-210, filed 12/19/73.]

WAC 230-02-220 Distributor's representative defined. A "distributor's representative" is any natural person who represents a distributor in any of his activities in connection with the sale or furnishing of equipment for use in authorized gambling activities, including but not limited to punchboards and pull tabs.

[Order 5, § 230-02-220, filed 12/19/73.]

WAC 230-02-225 Manufacturer's representative defined. A "manufacturer's representative" is any natural person who represents a manufacturer in any one of the manufacturer's activities in connection with the sale or furnishing of equipment for use in authorized gambling activities, including but not limited to, punchboards and pull tabs.

[Order 9, § 230-02-225, filed 12/19/73.]

WAC 230-02-230 Manufacturer defined. A "manufacturer" is any person who fabricates or assembles, from raw materials or subparts, a completed piece of equipment or pieces of equipment for use in authorized gambling activities, including but not limited to punchboards and pull tabs and bingo equipment, and who sells or otherwise furnishes the same to any distributor, operator, or retail outlet.

The term shall include, but not be limited to, any person who converts, modifies, combines, adds to, or removes parts or a portion from any item, device, or assembly to further its promotion, sale, or use as a gambling device or gambling record in this state: *Provided*, That a person adding only promotional flares to punchboards or pull tab series to advise the public of the prizes available, the rules of play, and the consideration required shall not be deemed a manufacturer.

The term "manufacturer" shall not include a licensed distributor or distributor's representative who services or repairs pull tab dispensing devices or bingo equipment, so long as no addition to, or modification or alteration of, the device is made: *Provided*, That distributors may perform modifications provided by manufacturers to upgrade equipment to current technology or to remove and install general purpose equipment for trade-in purposes.

[Statutory Authority: RCW 9.46.070. 94-01-033 § 230-02-230, filed 12/6/93, effective 1/6/94; Order 80, § 230-02-230, filed 12/28/77; Order 14, § 230-02-230, filed 3/27/74; Order 5, § 230-02-230, filed 12/19/73.]

WAC 230-02-240 Commercial gambling manager defined. A "commercial gambling manager" is a person, whether compensated or not, who is responsible for operating and controlling authorized commercial gambling activities, and who has the authority to make decisions regarding the operation of such gambling activities. The gambling manager supervises and directs all other persons directly or indirectly involved in the conduct of such activities. A gambling manager may be: An owner; partner; officer of a corporation; or a person designated by any of the above. A gambling manager's duties include, but are not limited to the following: Hiring, firing, and evaluating gambling personnel; supervising and controlling the conduct of gambling activities; preparing or supervising the preparation of gambling records; controlling cash generated by gambling activities and making bank deposits; and purchasing gambling supplies. A commercial gambling manager is required to be licensed if they are responsible for supervising the operation of progressive jackpot pull tab games as authorized in WAC 230-30-025.

[Statutory Authority: RCW 9.46.070, 9.46.120, 9.46.0273, 9.46.310 and 34.05.313. 96-24-006 (Order 305), § 230-02-240, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070. 95-09-062 (Order 268), § 230-02-240, filed 4/18/95, effective 5/19/95. Statutory Authority: RCW 9.46.070 (7)(14). 91-07-021, § 230-02-240, filed 3/13/91, effective 4/13/91.]

WAC 230-02-250 Bingo equipment. Bingo equipment includes all equipment that is actually used, made for use, or sold for the purpose of use, in bingo games for which consideration is charged to participate and prizes are awarded to winners. Bingo equipment includes, but is not limited to:

- (1) Blowers or other devices from which balls are mixed and randomly withdrawn to determine the letters and numbers to be called;
- (2) Reusable and disposable bingo cards;
- (3) Electronic flashboards that interface with the mixing and selection device;
- (4) Electronic bingo card daubers, including software or equipment interfaced with such; and
- (5) Any other device commonly used in the direct operation of the game: *Provided*, That general purpose equipment and supplies that are only indirectly involved in the conduct of the game shall not be deemed bingo equipment. The following equipment and supplies will not be deemed bingo equipment for purposes of this title:
 - (a) Tables, chairs, or card stands;
 - (b) Audio or video equipment used only to communicate progress of the game to players;
 - (c) Computer or cash register equipment used to record sales or act as a storage medium for records;
 - (d) General supplies, such as glue sticks, daubers, and other items for resale to players; and
 - (e) Bingo games manufactured and sold for recreational purposes.

[Statutory Authority: RCW 9.46.070. 95-19-070, § 230-02-250, filed 9/18/95, effective 1/1/96; 94-01-033 § 230-02-250, filed 12/6/93, effective

1/6/94. Statutory Authority: RCW 9.46.070 (8), (11), and (14). 83-13-050 (Order 134), § 230-02-250, filed 6/14/83; Order 29, § 230-02-250, filed 1/23/75.]

WAC 230-02-260 Pull tab defined. A "pull tab" is a single folded or banded ticket or is a card, the face of which is initially covered or otherwise hidden from view to conceal a number, symbol or set of symbols, a few of which numbers or symbols out of every set of pull tabs have been designated in advance and at random as prize winners, when, for the opportunity to obtain each such folded or banded ticket or card, view the numbers or symbols thereon and possibly obtain a prize winning pull tab, a person pays some consideration to an operator.

[Order 5, § 230-02-260, filed 12/19/73.]

WAC 230-02-270 Punchboard defined. "Punchboard" means a board or device containing a number of receptacles of uniform size in which are placed, at random, punches (slips of paper or other substance, imprinted with numbers or symbols) and which:

- (1) A specific serial number is assigned to the punchboard and printed on each punch;
- (2) A flare or face sheet covers the receptacles and sets out the winning numbers or symbols and prizes which may be won;
- (3) Upon the payment of consideration, a player may select and remove a punch from a receptacle; and
- (4) A prize is awarded if the number or symbol, set out on the selected punch, matches a symbol on the flare or face sheet.

[Statutory Authority: RCW 9.46.070. 93-12-082, § 230-02-270, filed 5/28/93, effective 7/1/93. Statutory Authority: Chapter 9.46 RCW. 86-19-056 (Order 161), § 230-02-270, filed 9/15/86; Order 5, § 230-02-270, filed 12/19/73.]

WAC 230-02-278 Program service expenses defined. Program service expenses are those relating to providing care, support, or assistance to individuals, and/or sponsoring or conducting activities that directly relate to the organization's stated purposes. These expenses are allocated as set forth in WAC 230-08-095. The following will be considered program service expenses:

- (1) Services directly provided to the public or the organization's members through programs operated by the organization; or
- (2) Services indirectly provided by:
 - (a) Making contributions to individuals or to other service-providing organizations;
 - (b) Funding scholarships; or
 - (c) Sponsoring activities directly related to any organizational purposes set out in WAC 230-04-024 (1)(b).

[Statutory Authority: RCW 9.46.070 (1), (8-11), (14), (16), (20). 96-07-075, § 230-02-278, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070, 9.46.0261 and 9.46.0209. 94-01-035, § 230-02-278, filed 12/6/93, effective 1/6/94.]

WAC 230-02-279 Supporting service expenses defined. Supporting service expenses are those related to activities that are essential to the general operation of the organization's programs, but which are not directly identifiable to a specific program. These expenses are allocated as

[Title 230 WAC—page 8]

set forth in WAC 230-08-095. Supporting service expenses typically include management, general overhead, and any expenses related to the solicitation of contributions: *Provided*, That supporting service expenses do not include extraordinary items which are unusual and infrequent in nature. The following expenditures shall be considered supporting service expenses:

- (1) Wages and benefits for general operation of the organization such as executive directors and other management or support personnel (secretarial, reception, bookkeeping, etc.);
- (2) Expenses related to providing an administrative office, including rent, depreciation, interest, utilities, taxes, insurance, and supplies;
- (3) General management functions of the organization such as planning (budget, etc.), recruiting and training staff, and procuring and distributing materials;
- (4) Scheduling and conducting board, committee, and membership meetings;
- (5) Publicizing the organization: *Provided*, That solicitation of new members or volunteers, or announcements and publications intended to educate the public regarding services provided by the organization, shall be deemed to be program service expenses;
- (6) Outside supporting services such as accounting, audit, legal, etc.;
- (7) General expenses related to the solicitation of contributions or grants; and
- (8) Any net loss from nongambling fund-raising activities.

[Statutory Authority: RCW 9.46.070 (1), (8-11), (14), (16), (20). 96-07-075, § 230-02-279, filed 3/19/96, effective 7/1/96.]

WAC 230-02-280 Identification and inspection services stamps. Identification and inspection services stamps are printed under the control of the commission for purposes of identifying and controlling gambling devices within the state of Washington. Each stamp is preglued and imprinted with the seal of the commission and an unique number or combination of alpha characters and numbers.

[Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-13-060 (Order 179), § 230-02-280, filed 6/14/88.]

WAC 230-02-290 Records entry labels. Record entry labels are a set of removable, preglued labels, attached to identification and inspection services stamps and imprinted with the same unique number or combination of alpha characters and numbers as the stamp, plus an electronically identifiable bar code equivalent of the identification number. These labels are attached to a punchboard or pull tab series flare by the manufacturer of the punchboard or pull tab at the same time the identification and inspection services stamp is attached. These labels may only be removed and used as record entries as prescribed by other rules of this section.

[Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-13-060 (Order 179), § 230-02-290, filed 6/14/88.]

WAC 230-02-300 Substantial interest holder defined. Substantial interest holder means a person who has actual or potential influence over the management or

(1997 Ed.)

operation of any organization, association or other business entity. Evidence of substantial interest includes, but is not limited to, one or more of the following:

- (1) Directly or indirectly owning, operating, managing or controlling an entity or any part of an entity; or
- (2) Directly or indirectly profiting from or assuming liability for debts of the entity; or
- (3) Is an officer or director of the entity; or
- (4) Owning ten percent or more of any class of stock in a privately or closely held corporation, or five percent or more of any class of stock in a publicly traded corporation; or
- (5) Furnishing ten percent or more of the capital, whether in cash, goods, or services, for the operation of the business during any calendar year; or
- (6) Directly or indirectly receiving a salary, commission, royalties or other form of compensation from the gambling activity in which an entity is or seeks to be engaged.

[Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4). 95-23-109, § 230-02-300, filed 11/22/95, effective 1/1/96; Order 23, § 230-02-300, filed 9/23/74; Order 12, § 230-02-300, filed 2/14/74; Order 5, § 230-02-300, filed 12/19/73.]

WAC 230-02-310 Bona fide newspaper or magazine defined. A newspaper or magazine shall be "bona fide" only if:

- (1) To conduct, or participate in conducting, the contest or drawing of which the coupon or entry blank is a part is not a primary purpose underlying the publication; and
- (2) The price of the publication is consistent with the price of similar publications sold in the state which contain no such coupons or entry blanks; and
- (3) The publication has been published regularly and continuously for a period of at least three months prior to any such coupon or entry blank appearing therein; and
- (4) At least three regularly scheduled issues have been published prior to any such coupon or entry blank appearing therein.

[Order 42, § 230-02-310, filed 9/18/75; Order 14, § 230-02-310, filed 3/27/74.]

WAC 230-02-350 Commercial stimulant defined. "Commercial stimulant" means a licensed gambling activity operated by an established food and/or drink business with the purpose of increasing the volume of food and/or drink sales for "on-premises" consumption.

[Statutory Authority: RCW 9.46.070 and 9.46.0217. 95-07-094, § 230-02-350, filed 3/17/95, effective 7/1/95. Statutory Authority: Chapter 9.46 RCW. 87-07-038 (Order 165), § 230-02-350, filed 3/16/87; 86-24-025 (Order 163), § 230-02-350, filed 11/24/86; 86-17-057 (Order 160), § 230-02-350, filed 8/18/86. Statutory Authority: RCW 9.46.020(5). 82-23-050 (Order 125), § 230-02-350, filed 11/15/82. Statutory Authority: RCW 9.46.020(5) and section 1(5), chapter 326, Laws of 1977 ex. sess. and RCW 9.46.070(4). 78-03-061 (Order 81), § 230-02-350, filed 2/22/78; Order 78, § 230-02-350, filed 11/17/77; Order 29, § 230-02-350, filed 1/23/75; Order 23, § 230-02-350, filed 9/23/74.]

WAC 230-02-360 Licensed premises defined. "Licensed premises" means the physical building and property, upon which the licensed gambling activity occurs, as set out on the license application and approved by the commission: *Provided*, That when only a portion of a building is utilized for purposes of operating a food and/or

drink business or for conducting gambling or related activities, only that portion set out in the application on file with the commission, shall be considered the licensed premises.

[Statutory Authority: RCW 9.46.070 and 9.46.0217. 95-07-094, § 230-02-360, filed 3/17/95, effective 7/1/95. Statutory Authority: Chapter 9.46 RCW. 86-19-056 (Order 161), § 230-02-360, filed 9/15/86, effective 1/1/87.]

WAC 230-02-362 Primary market area defined. "Primary market area" means the area that starts at the premises of an operating Class E or above bingo game and extends to a radius that is located ten miles from such premises.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-02-362, filed 11/21/96, effective 12/22/96.]

WAC 230-02-364 Secondary market area defined. "Secondary market area" means the area that starts at a radius that is located ten miles from the premises of an operating Class E or above bingo game and extends to a radius that is located twenty-five miles from the premises.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-02-364, filed 11/21/96, effective 12/22/96.]

WAC 230-02-366 Impact market area defined. "Impact market area" means the area that starts at the premises of an operating Class E or above bingo game and extends to a radius that is located fifty miles from such premises.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-02-366, filed 11/21/96, effective 12/22/96.]

WAC 230-02-370 Food and/or drink business defined. "Food and/or drink business" means any business which is primarily engaged in the sale of food and/or drink items, to persons other than owners, employees, or substantial interest holders, for consumption on the licensed premises.

[Statutory Authority: RCW 9.46.070 and 9.46.0217. 95-07-094, § 230-02-370, filed 3/17/95, effective 7/1/95. Statutory Authority: Chapter 9.46 RCW. 86-19-056 (Order 161), § 230-02-370, filed 9/15/86, effective 1/1/87.]

WAC 230-02-380 Established business defined. "Established business" means any business that has applied for and received all licenses or permits required by any state or local jurisdictions and has been open to the public for a period of not less than ninety days: *Provided*, That the commission may grant "established" status to a business that:

- (1) Has completed all construction and is ready to conduct business;
- (2) Has obtained all required licenses and permits;
- (3) Provides the commission a planned operating schedule which includes estimated gross sales from each separate activity to be conducted on the proposed premises, including but not limited to the following:
 - (a) Food and/or drinks for on-premises consumption;
 - (b) Food and/or drinks "to go"; and

- (c) All other business activities.
- (4) Passes an inspection by the commission.

[Statutory Authority: RCW 9.46.070 and 9.46.0217. 95-07-094, § 230-02-380, filed 3/17/95, effective 7/1/95. Statutory Authority: Chapter 9.46 RCW. 86-19-056 (Order 161), § 230-02-380, filed 9/15/86, effective 1/1/87.]

WAC 230-02-400 Card game. A card game for the purposes of these rules, is a social card game as defined by RCW 9.46.0281 and authorized under RCW 9.46.0325, played by consenting adults wherein wagers are made and collected by the participants based upon the outcome of the game.

[Statutory Authority: RCW 9.46.070, 9.46.0281 and 9.46.0325. 93-17-098 (Order 243), § 230-02-400, filed 8/17/93, effective 1/1/94; Order 78, § 230-02-400, filed 11/17/77; Order 23, § 230-02-400, filed 9/23/74.]

WAC 230-02-405 Specific authorized card games. These games include, and are limited to, each card game authorized by the commission under WAC 230-40-010 when played as permitted by that rule.

[Statutory Authority: RCW 9.46.070(10). 81-09-055 (Order 106), § 230-02-405, filed 4/17/81; Order 29, § 230-02-405, filed 1/23/75.]

WAC 230-02-410 Public card room. A public card room is that area of the premises of a profit seeking retail business which has been specifically set aside or designated by the licensee and approved by the commission for the playing of cards by members of the public as a commercial stimulant to that business in accordance with state law and the rules of the commission.

[Order 23, § 230-02-410, filed 9/23/74.]

WAC 230-02-415 Public card room employee defined. A "public card room employee" is any person who is employed by a public card room operator, for compensation or otherwise, to work in, or in direct connection with, a public card room whose duties or responsibilities include any of the following:

- (1) Floor person,
- (2) Time collector,
- (3) Chip seller,
- (4) Dealer or mucker,
- (5) Cashier,
- (6) Pit boss,
- (7) Card room manager,
- (8) Supervision of any person working in, or in connection with, the card room,
- (9) The prevention or discovery of cheating by persons playing in the card room or of improper activities by employees working in the card room,
- (10) To encourage the organization and/or beginning of a card game.

This definition does not include bartenders, waitresses and persons with similar duties who are limited to the serving of food or drink in the card room.

[Statutory Authority: RCW 9.46.070(16). 78-06-066 (Order 85), § 230-02-415, filed 5/25/78.]

WAC 230-02-418 Charitable or nonprofit gambling manager defined. A "charitable or nonprofit gambling manager" is any member or employee of a charitable or nonprofit organization who has the ability to, directly or indirectly, exercise a material degree of control over the operation of any gambling activity or the disbursement of funds generated from gambling activities. This definition includes all persons compensated to advise the board and/or officers regarding specific aspects of operating any gambling activity, whether as a consultant or any other short-term contract basis: *Provided*, That charitable or nonprofit organizations currently licensed to operate gambling activities, or their members or employees, may provide nonspecific advice to any other charitable/nonprofit organization, without being deemed a gambling manager for the receiving organization, if they are not directly or indirectly compensated for such advice. This section is not intended to restrict actions regarding the operation of any gambling activity that are initiated by the board and/or officers, if such actions are implemented through a gambling manager appointed by the board and/or officers.

For purposes of this title, the following individuals shall be deemed to be charitable or nonprofit gambling managers:

- (1) Any member or employee who has the primary responsibility to supervise the operation of any gambling activity;
- (2) Any employee of the organization who has been assigned the responsibility of supervising another gambling manager by the governing board or officers; or
- (3) The employee who the officers or governing board of directors has delegated the highest level of authority over the day-to-day affairs of the organization and who is responsible for disbursement of funds generated from gambling activities and/or safeguarding assets purchased with funds generated from gambling activities.

[Statutory Authority: RCW 9.46.070. 95-09-062 (Order 268), § 230-02-418, filed 4/18/95, effective 5/19/95. Statutory Authority: RCW 9.46.070 (7), (17), (8) and (9). 91-13-070 (Order 223), § 230-02-418, filed 6/17/91, effective 7/18/91. Statutory Authority: RCW 9.46.070(17). 81-21-032 (Order 113), § 230-02-418, filed 10/15/81.]

WAC 230-02-420 Social card room. A social card room is that area of the premises of a bona fide charitable or nonprofit organization which has been specifically set aside or designated by the licensee and approved by the commission for the playing of cards by bona fide members of that organization and their guests only, in accordance with state law and the rules of the commission.

[Order 23, § 230-02-420, filed 9/23/74.]

WAC 230-02-430 Guest. The term guest shall include only those persons not a member of a bona fide charitable or nonprofit organization, who are allowed to use the facilities of the organization to play card games, only when accompanied by the regular member of the organization sponsoring the guest and for a fee not to exceed the maximum fee for the playing of cards as set by the commission: *Provided*, That persons holding a valid "guest" card in accordance with Washington state liquor control board regulation 106 (WAC 314-04-040), need not be accompanied by a member.

If a person is charged, directly or indirectly, more than the maximum fee set by the commission to enter the facility and play cards, he is not a guest for the purpose of these rules.

[Order 23, § 230-02-430, filed 9/23/74.]

WAC 230-02-440 Calendar day defined. "Calendar day" means a twenty-four hour period commencing at 12:01 a.m. and ending at 12 o'clock midnight.

[Order 78, § 230-02-440, filed 11/17/77.]

WAC 230-02-450 Three consecutive days defined. "Three consecutive days" shall include any period of up to seventy-two consecutive hours.

[Order 78, § 230-02-450, filed 11/17/77.]

WAC 230-02-455 Social pastime defined. "Social pastime" means a gambling activity conducted primarily for entertainment. Charitable or nonprofit organizations are deemed to be conducting bingo as a social pastime when licensed to receive \$250,000 gross gambling receipts or less annually or operating under the provisions of RCW 9.46.0321: Provided, That any licensee that pays wages or rent to conduct bingo shall be deemed to be operating bingo for purposes of fundraising and must comply with net return requirements for their class of license, as set forth in Table 1 of WAC 230-20-059.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-02-455, filed 11/21/96, effective 12/22/96.]

WAC 230-02-500 Drawing defined. A drawing is defined as an approved random selection process for determining winners in a raffle. To be random, each ticket in the drawing must have an equal chance of selection.

[Statutory Authority: RCW 9.46.070 (11), (14) and 9.46.0218 [9.46.0281]. 89-05-024 (Order 186), § 230-02-500, filed 2/13/89.]

WAC 230-02-503 Fund raising defined. "Fund raising" means a gambling activity conducted for purposes of obtaining funds for a charitable or nonprofit organization's programs and which is operated with a profit motive. Organizations are deemed to be conducting bingo for fund raising to support the purposes of the organization when licensed to receive more than \$250,000 gross gambling receipts.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-02-503, filed 11/21/96, effective 12/22/96.]

WAC 230-02-505 Recreational gaming activity—Defined. A recreational gaming activity is a nongambling activity utilizing gambling devices authorized for use in fund raising events, conducted no more than two times per year, by or on behalf of an organization that has been in existence for at least six months. Only members and guests of the sponsoring organization may participate and such activity shall be subject to the requirements of WAC 230-25-330.

[Statutory Authority: Chapter 9.46 RCW. 91-15-040 (Order 224), § 230-02-505, filed 7/17/91, effective 8/17/91.]

(1997 Ed.)

WAC 230-02-510 Amusement device defined. An amusement device is any mechanical, electro-mechanical, or electronic device through which the operation results in a game or contest which:

- (1) Is played only for entertainment;
- (2) Allows the player to actively participate;
- (3) The outcome of the game or contest depends in a material degree upon the skill of the player; and
- (4) The outcome is not in control of any person other than the player or players.

[Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-02-510, filed 9/18/91, effective 10/19/91.]

WAC 230-02-511 Attended amusement game defined. Any amusement game conducted in a manner requiring the presence or assistance of any natural person as an attendant in the regular operation of the game shall be considered an attended amusement game.

[Statutory Authority: RCW 9.46.070. 96-07-076, § 230-02-511, filed 3/19/96, effective 7/1/96; 94-01-036, § 230-02-511, filed 12/6/93, effective 1/6/94.]

WAC 230-02-512 Commercial amusement game operator defined. A commercial amusement game operator is any person or organization, other than a charitable or nonprofit organization, that receives revenue from the operation, rental, or lease, or otherwise shares in the proceeds of approved amusement games.

[Statutory Authority: Chapter 9.46 RCW. 91-21-053 (Order 228), § 230-02-512, filed 10/15/91, effective 11/15/91.]

WAC 230-02-514 Coin or token activated amusement games defined. Any amusement game consisting of a mechanical, electronic, or electro-mechanical machine or device which allows the player to activate the game by means of inserting one or more coins or tokens, and which dispenses a merchandise prize - or coupons, tickets or tokens which are redeemable for a merchandise prize - upon successfully achieving the stated goal of the game, shall be considered a coin or token activated amusement game. Any such game shall be conducted in accordance with all other rules of the gambling commission and provisions of chapter 9.46 RCW.

[Statutory Authority: RCW 9.46.070. 94-01-036, § 230-02-514, filed 12/6/93, effective 1/6/94.]

WAC 230-02-515 School hours defined. School hours are defined as 8:00 a.m. through 3:00 p.m., Monday through Friday, using the operating schedule of the public school district in which the activity is located. *Provided*, That upon written permission of the commission director, school hours may be adjusted to allow participants in school sponsored activities to utilize amusement games at licensed locations.

[Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-02-515, filed 9/18/91, effective 10/19/91.]

WAC 230-02-520 School-aged minors defined. School-aged minors are defined as persons who have not reached an age of 18 years.

[Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-02-520, filed 9/18/91, effective 10/19/91.]

WAC 230-02-530 **Circumstances outside the control of the licensee—Defined.** "Circumstances outside the control of the licensee" means any factors that impact an organization's ability to operate bingo games that are not directly or indirectly under the control of the board of directors. The following examples of such circumstances may be considered by the director:

- (i) Premises destroyed or condemned;
- (ii) Lease for the premises expires without an option to renew;
- (iii) Unanticipated increases to rent that would put the licensee in jeopardy of being in violation of net return requirements;
- (iv) Significant nonbingo gambling activities operated within a licensee's impact market area by organizations outside the jurisdiction of the commission;
- (v) Closure of arterial exit ramps if within five miles of the premises;
- (vi) Loss of customer parking;
- (vii) Cancellation of public transportation; or
- (viii) Other permanent factors demonstrated by a licensee.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-02-530, filed 11/21/96, effective 12/22/96.]

WAC 230-02-535 **Permanent interruption of customer flow—Defined.** "Permanent interruption of customer flow" means a decrease in the customers available to a licensee for longer than a six-month time period, when the circumstances which caused the interruption are outside the control of the licensee.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-02-535, filed 11/21/96, effective 12/22/96.]

WAC 230-02-540 **Temporary interruption of customer flow—Defined.** "Temporary interruption of customer flow" means a decrease in the normal customers available to a licensee for a period of six months or less when the circumstances that caused the decrease are outside the control of the licensee. Examples of such interruptions are street repairs, damage to premises, inclement weather, etc.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-02-540, filed 11/21/96, effective 12/22/96.]

Chapter 230-04 WAC
LICENSING

WAC

- 230-04-005 Gambling license certification program.
- 230-04-010 Certification procedure—Application forms.
- 230-04-020 Certification procedure—General requirements—Mandatory training required.
- 230-04-022 Certification procedure—Information required from all applicants.

- 230-04-024 Bona fide charitable or nonprofit organizations—Minimum qualifications—Restrictions—Definitions.
- 230-04-030 Commission may post public notice of license application on premises.
- 230-04-035 Certification procedure—Charitable and nonprofit organizations—Classification of purpose.
- 230-04-040 Certification procedure—Charitable and nonprofit organizations—Additional information required.
- 230-04-064 Certification procedure—All licenses—Formal commission approval.
- 230-04-065 Certification procedure—Bona fide charitable and nonprofit organizations—Lower volume—Simplified application.
- 230-04-070 Activities not to be conducted without a license or permit.
- 230-04-075 No license required for certain bingo, raffles, and amusement games.
- 230-04-080 Certain activities to be operated as a commercial stimulant only—Licensing of food and/or drink businesses.
- 230-04-110 Licensing of manufacturers.
- 230-04-115 Licensing of manufacturers—Exception—Special sales permit.
- 230-04-120 Licensing of distributors.
- 230-04-124 Licensing of manufacturers and distributors representatives.
- 230-04-125 Distributor's representative license may be reissued when changing distributors.
- 230-04-135 Commercial amusement games—License required.
- 230-04-138 Commercial amusement games—Authorized locations.
- 230-04-140 Licensing of public card room employees.
- 230-04-142 Notification to the commission upon beginning, terminating, or changing employment—Public card room employees.
- 230-04-143 Licensing of commercial gambling managers.
- 230-04-145 Licensing of charitable or nonprofit gambling managers—Application procedures.
- 230-04-147 Notification to the commission upon beginning, terminating, or changing responsibilities of charitable or nonprofit gambling managers.
- 230-04-151 Supplemental information.
- 230-04-170 Applicants—Qualifications.
- 230-04-175 License does not grant vested right.
- 230-04-180 Fingerprinting and background checks.
- 230-04-187 Recreational gaming activity—Permit or license required.
- 230-04-190 Issuance of license—Expiration—Restrictions.
- 230-04-191 Permits required for persons conducting bingo at agricultural fairs.
- 230-04-192 Person to hold one bingo license and one amusement game license at a time.
- 230-04-193 Persons may obtain an annual permit to conduct bingo at agricultural fairs only.
- 230-04-194 Denial or revocation of annual operator permit for special locations—Grounds and effect.
- 230-04-196 The commission may issue Class A or B bingo operator's licenses authorizing the conduct of the games at up to three separate locations.
- 230-04-202 Fees—Bona fide charitable/nonprofit organizations.
- 230-04-203 Fees—Commercial stimulant and other business organizations.
- 230-04-204 Fees—Individuals.
- 230-04-210 Withdrawal of application.
- 230-04-220 Prorating and refunding of fees.
- 230-04-230 Intentionally understating anticipated revenue—Prohibited.
- 230-04-240 Special investigation fee.
- 230-04-255 Director may issue temporary licenses not to exceed sixty days.
- 230-04-260 Effect of exceeding license class income limit.
- 230-04-270 Bad checks submitted as payment of fees.
- 230-04-280 Notification to law enforcement.
- 230-04-290 Loss or destruction of licenses or permits.
- 230-04-300 One annual change of premises allowed for bingo.
- 230-04-310 Change of name.

- 230-04-315 Change of schedule.
- 230-04-320 Change of location.
- 230-04-325 Cancellation, change of time, date, or location of fund raising event.
- 230-04-330 Change of management.
- 230-04-340 Transfer of licenses—Conditions.
- 230-04-350 Death or incapacity of licensee.
- 230-04-400 Denial, suspension or revocation of licenses.
- 230-04-405 Commission will seek reimbursement for costs incurred in pursuing license revocation for failure to pay gambling taxes.
- 230-04-410 Return of license suspended or revoked.
- 230-04-450 Display of licenses.
- 230-04-455 Employees to wear identification tags.
- 230-04-500 Local gambling prohibitions.
- 230-04-141 Public card room employee licenses may be reissued when changing employment. [Statutory Authority: RCW 9.46.070(16). 78-06-066 (Order 85), § 230-04-141, filed 5/25/78.] Repealed by 79-09-029 (Order 91), filed 8/14/79. Statutory Authority: RCW 9.46.070(16).
- 230-04-150 Supplemental information. [Order 5, § 230-04-150, filed 12/19/73 at 1:25 p.m.] Repealed by Order 9, filed 12/19/73 at 12:26 p.m. See WAC 230-04-151, Emergency Order 11 for readoption.
- 230-04-195 Agricultural fairs to obtain permits for each person to conduct each authorized activity under a fair's license. [Order 5, § 230-04-195, filed 12/19/73.] Repealed by Order 23, filed 9/23/74.
- 230-04-197 Permits for raffles on separate premises. [Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-04-197, filed 6/15/84; Order 9, § 230-04-197, filed 12/19/73.] Repealed by 88-07-059 (Order 175), filed 3/15/88. Statutory Authority: RCW 9.46.070 (8), (11) and (14).
- 230-04-199 Class R recreational card games conducted by a bona fide charitable or bona fide nonprofit organization. [Statutory Authority: RCW 9.46.070 (11) and (14). 88-17-050 (Order 182), § 230-04-199, filed 8/16/88. Statutory Authority: RCW 9.46.070 (10) and (13). 79-05-026 (Order 89), § 230-04-199, filed 4/18/79.] Repealed by 94-23-007, filed 11/3/94, effective 1/1/95. Statutory Authority: RCW 9.46.070.
- 230-04-200 License fees. [Statutory Authority: RCW 9.46.070(5). 82-15-009 (Order 124), § 230-04-200, filed 7/9/82; 81-21-032 (Order 113), § 230-04-200, filed 10/15/81; 81-19-073 (Order 112), § 230-04-200, filed 9/15/81; 81-13-032 (Order 109), § 230-04-200, filed 6/15/81; 81-03-045 (Order 105), § 230-04-200, filed 1/16/81; 80-03-059 (Order 98), § 230-04-200, filed 2/25/80; 79-12-057 (Order 94), § 230-04-200, filed 11/28/79; 79-05-026 (Order 89), § 230-04-200, filed 4/18/79; 79-01-026 (Order 88), § 230-04-200, filed 12/18/78. Statutory Authority: RCW 9.46.070(11). 78-06-066 (Order 85), § 230-04-200, filed 5/25/78; Order 78, § 230-04-200, filed 11/17/77; Order 51, § 230-04-200, filed 4/30/76; Order 45, § 230-04-200, filed 12/30/75; Order 42, § 230-04-200, filed 9/18/75; Order 40, § 230-04-200, filed 6/26/75; Order 23, § 230-04-200, filed 9/23/74; Order 12, § 230-04-200, filed 2/14/74; Order 9, § 230-04-200, filed 12/19/73 at 1:25 p.m.; Order 5, § 230-04-200, filed 12/19/73 at 1:25 p.m.] Repealed by 84-01-026 (Order 139), filed 12/12/83. Statutory Authority: RCW 9.46.070 (5), (6), (8), (10), and (11).
- 230-04-201 Fees. [Statutory Authority: RCW 9.46.070. 93-19-090 (Order 244), § 230-04-201, filed 9/15/93, effective 10/16/93; 92-21-056 (Order 233), § 230-04-201, filed 10/19/92, effective 11/19/92. Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-04-201, filed 9/18/91, effective 10/19/91. Statutory Authority: Chapter 9.46 RCW. 91-15-040 (Order 224), § 230-04-201, filed 7/17/91, effective 8/17/91. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-04-201, filed 11/27/89, effective 12/28/89. Statutory Authority: RCW 9.46.070(5). 89-21-070 (Order 199), § 230-04-201, filed 10/17/89, effective 1/1/90. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 89-11-048 (Order 192), § 230-04-201, filed 5/16/89; 88-13-060 (Order 179), § 230-04-201, filed 6/14/88. Statutory Authority: RCW 9.46.070(5). 88-11-071 (Order 177), § 230-04-201, filed 5/18/88. Statutory Authority: RCW 9.46.070 (1), (2), (3), (4) and (14). 87-21-015 (Order 172), § 230-04-201, filed 10/9/87. Statutory Authority: RCW 9.46.070 (1), (2), (4), (5), (6), (11), (14) and (17). 86-13-055 (Order 158), § 230-04-201, filed 6/13/86. Statutory Authority: RCW 9.46.070 (1), (2), (4), (5), (6), (9), (11), (14) and (17) and 9.46.020 (19) and (23). 85-17-015 (Order 153), § 230-04-201, filed 8/12/85. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 85-03-024 (Order 142), § 230-04-201, filed 1/9/85.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

- 230-04-050 Qualified bona fide charitable and nonprofit organization qualifications. [Statutory Authority: RCW 9.46.070 (1), (7), (11), (14), and (17). 83-21-073 (Order 137), § 230-04-050, filed 10/18/83. Statutory Authority: RCW 9.46.070(1). 82-04-009 (Order 117), § 230-04-050, filed 1/22/82; Order 42, § 230-04-050, filed 9/18/75; Order 23, § 230-04-050, filed 9/23/74; Order 5, § 230-04-050, filed 12/19/73.] Repealed by 89-09-047 (Order 190), filed 4/18/89, effective 7/1/89. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20).
- 230-04-060 Required information. [Statutory Authority: Chapter 9.46 RCW. 86-17-057 (Order 160), § 230-04-060, filed 8/18/86. Statutory Authority: RCW 9.46.070 (1), (7), (11), (14), and (17). 83-21-073 (Order 137), § 230-04-060, filed 10/18/83. Statutory Authority: RCW 9.46.070(7). 82-15-009 (Order 124), § 230-04-060, filed 7/9/82. Statutory Authority: RCW 9.46.070(6). 78-06-066 (Order 85), § 230-04-060, filed 5/25/78; Order 67, § 230-04-060, filed 3/11/77; Order 60, § 230-04-060, filed 9/10/76; Order 51, § 230-04-060, filed 4/30/76; Order 48, § 230-04-060, filed 3/23/76; Order 42, § 230-04-060, filed 9/18/75; Order 23, § 230-04-060, filed 9/23/74; Order 12, § 230-04-060, filed 2/14/74; Order 5, § 230-04-060, filed 12/19/73.] Repealed by 89-09-047 (Order 190), filed 4/18/89, effective 7/1/89. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20).
- 230-04-061 Required information, bona fide charitable and nonprofit organizations. [Statutory Authority: RCW 9.46.070 (5), (6), (8), (10), and (11). 84-01-026 (Order 139), § 230-04-061, filed 12/12/83.] Repealed by 89-09-047 (Order 190), filed 4/18/89, effective 7/1/89. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20).
- 230-04-100 Registration of certain foreign manufacturers of punchboards and pull tabs. [Order 5, § 230-04-100, filed 12/19/73.] Repealed by Order 12, filed 2/14/74.
- 230-04-121 Distributor's representatives to represent only one distributor at a time. [Order 80, § 230-04-121, filed 12/28/77.] Repealed by 85-01-065 (Order 145), filed 12/18/84. Statutory Authority: RCW 9.46.070 (1), (4), (5), (6), (7), (11), (14) and (17) and 9.46.310.
- 230-04-122 Distributor's representative shall not represent manufacturers—Exception. [Order 80, § 230-04-122, filed 12/28/77.] Repealed by 85-01-065 (Order 145), filed 12/18/84. Statutory Authority: RCW 9.46.070 (1), (4), (5), (6), (7), (11), (14) and (17) and 9.46.310.
- 230-04-123 Licensing of distributor's representatives. [Statutory Authority: Chapter 9.46 RCW. 87-09-043 (Order 167), § 230-04-123, filed 4/14/87. Statutory Authority: RCW 9.46.070 (1), (4), (5), (6), (7), (11), (14) and (17) and 9.46.310. 85-01-065 (Order 145), § 230-04-123, filed 12/18/84.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-04-130 Licensing of manufacturer's representatives. [Statutory Authority: RCW 9.46.070 (1), (4), (5), (6), (7), (11), (14) and (17) and 9.46.310. 85-01-065 (Order 145), § 230-04-130, filed 12/18/84; Order 80, § 230-04-130, filed

- Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-04-201, filed 6/15/84. Statutory Authority: RCW 9.46.070 (5), (6), (8), (10) and (11). 84-01-026 (Order 139), § 230-04-201, filed 12/12/83.] Repealed by 94-23-007, filed 11/3/94, effective 1/1/95. Statutory Authority: RCW 9.46.070.
- 230-04-205 Person holding, or having held, Class A raffle licenses may convert to new class of raffle license in same year. [Order 21, § 230-04-205, filed 8/20/74.] Repealed by Order 51, filed 4/30/76.
- 230-04-250 Effect of temporary license—Fees. [Order 5, § 230-04-250, filed 12/19/73.] Repealed by Order 14, filed 3/27/74.
- 230-04-305 Change of class. [Statutory Authority: RCW 9.46.070 (5) and (9). 80-03-060 (Order 99), § 230-04-305, filed 2/25/80.] Repealed by 84-01-026 (Order 139), filed 12/12/83. Statutory Authority: RCW 9.46.070 (5), (6), (8), (10), and (11).
- 230-04-332 Change of employee or agent in the operation of a card room, punchboards or pull tabs. [Order 48, § 230-04-332, filed 3/23/76.] Repealed by 78-08-055 (Order 86), filed 7/20/78. Statutory Authority: RCW 9.46.070(13).
- 230-04-452 Pictures to be posted with employee licenses. [Statutory Authority: RCW 9.46.070 (10) and (13). 78-08-055 (Order 86), § 230-04-452, filed 7/20/78.] Repealed by 83-06-077 (Order 127), filed 3/2/83. Statutory Authority: RCW 9.46.070 (4), (7), (8) and (11).
- 230-04-900 Test for optional payment plan for annual licenses. [Statutory Authority: RCW 9.46.070 (1), (2), (4), (5), (6), (11), (14) and (17). 86-13-055 (Order 158), § 230-04-900, filed 6/13/86.] Repealed by 87-21-015 (Order 172), filed 10/9/87. Statutory Authority: RCW 9.46.070 (1), (2), (3), (4) and (14).

WAC 230-04-005 Gambling license certification program. The gambling license certification program is an investigative licensing process in which all applicants are assessed and evaluated against the standards and requirements contained in chapter 9.46 RCW. All applicants that meet the qualifications for licensing will be certified by the commission for an initial license and are subject to recertification by the commission on an annual basis.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-04-005, filed 4/18/89, effective 7/1/89.]

WAC 230-04-010 Certification procedure—Application forms. Each application for a license from the commission shall be submitted on the license application form approved by the commission. These application forms may be obtained from any office of the commission.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-04-010, filed 4/18/89, effective 7/1/89; Order 5, § 230-04-010, filed 12/19/73.]

WAC 230-04-020 Certification procedure—General requirements—Mandatory training required. Applicants for license from the commission shall submit all applications, including the proper fee, as established by WAC 230-04-202, 230-04-203 or 230-04-204 to the administrative office of the commission in Lacey. The application process is as follows:

(1) The application shall be made using a form provided by the commission. The application form must be completed in every respect, containing all the information and attachments requested;

(2) The application shall be signed under oath by an individual attesting that the information set forth in the application and any accompanying materials is true, accurate

and complete and that they assume full responsibility for the fair and lawful operation of all licensed activities that the applicant conducts. The following person(s) shall sign the application:

(a) The highest ranking officer/official of a charitable, nonprofit or profit seeking corporation;

(b) The principal owner of a sole proprietorship;

(c) All partners of a partnership or general partner of a limited partnership; and

(d) The mayor or the mayor's designated representative if the application is being submitted by or on behalf of an incorporated city or town.

(e) The director may also require the following persons to sign the application:

(i) The chairman of the board of directors or trustees;

(ii) The person in charge of financial records; and/or

(iii) Persons with a substantial interest in the applicant business or charitable/nonprofit organization.

(3) The commission will consider only those applications that have been fully completed. Failure to respond to written notification of an incomplete application, within twenty days of such notice, shall be cause for administrative closure of the application. The following reasons will cause an application to be incomplete:

(a) Failure to provide all information requested on the application form and/or attachments;

(b) Failure to provide supplemental information requested during the licensing investigation;

(c) Failure to attend mandatory precertification training;

(d) Failure to provide fingerprints or samples of handwriting; and

(e) Failure to submit proper fees.

(4) The commission may disclose to the public or discuss at a public meeting all information set forth in the application and all supplemental information submitted, except statements regarding arrests or convictions of any person.

(5) The commission shall not issue a license until it is satisfied that the applicant is completely qualified to operate the activity for which a license is requested. Prior to issuing a license, the commission will:

(a) Conduct a review and investigation of all information available, whether submitted as a part of the application or otherwise obtained, to the degree deemed necessary to attest to the qualification of the applicant and the gambling premises; and

(b) Require all persons who sign the application, as set out in subsection (2) of this section, plus the manager or other designated person(s) responsible for conducting the gambling activity or completing records, to complete a training course as established and provided by the commission: *Provided*, That mandatory training shall not be required for manufacturers; manufacturers representatives; or applicants or licensees with special circumstances as approved by the director. Mandatory training shall be completed within the following time lines:

(i) New applicants - Within sixty days of application and prior to being granted a license: *Provided*, That cardroom employees and bingo managers must attend training no later than thirty days after the first day of work;

(ii) Annual recertification - no later than sixty days after the effective date of the license: *Provided*, That only those

person(s), as set out in subsection (2) of this section, which are newly designated to sign the application since the last license application shall be required to attend training if they have not attended within the previous three years; and

(iii) Changes to managers or other designated persons responsible for conducting gambling activities or completing records - no later than sixty days after the first day of work.

[Statutory Authority: Chapter 9.46 RCW. 94-24-056 (Order 262), § 230-04-020, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070. 92-22-058, § 230-04-020, filed 10/29/92 effective 11/29/92. Statutory Authority: Chapter 34.05 RCW. 90-03-064 (Order 203), § 230-04-020, filed 1/18/90, effective 2/18/90. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-04-020, filed 4/18/89, effective 7/1/89. Statutory Authority: RCW 9.46.070 (1), (2), (3), (4) and (14). 87-21-015 (Order 172), § 230-04-020, filed 10/9/87. Statutory Authority: Chapter 9.46 RCW. 87-09-043 and 87-10-017 (Orders 167 and 167A), § 230-04-020, filed 4/14/87 and 4/30/87. Statutory Authority: RCW 9.46.070 (1), (7), (11), (14), and (17). 83-21-073 (Order 137), § 230-04-020, filed 10/18/83; Order 60, § 230-04-020, filed 9/10/76; Order 42, § 230-04-020, filed 9/18/75; Order 12, § 230-04-020, filed 2/14/74; Order 5, § 230-04-020, filed 12/19/73.]

WAC 230-04-022 Certification procedure—Information required from all applicants. In addition to other information required by the commission, each applicant shall provide the following information on or attached to the application:

(1) Copy of corporate applicants' articles of incorporation and bylaws; or, if not a corporation, a copy of any bylaws and other documents which set out the organizational structure and purposes of the organization;

(2) A copy of a nonprofit or charitable applicant's Internal Revenue Service tax exemption letter if one has been obtained;

(3) Details and copies of all lease or rental arrangements, whether oral or written, between the applicant and the owner of premises upon which the gambling activity will be conducted, if such premises are leased or rented;

(4) Details and copies of any and all franchise agreements or other agreements, whether written or oral, if any, between the applicant and distributors or manufacturers of equipment or between the applicant and any other person where those agreements relate to gambling activities or gambling equipment;

(5) The name, address, date of birth, and Social Security number of each paid employee or agent who will work in the activity for which the license is sought and a schedule of the proposed number of employees, job descriptions, and a proposed pay schedule;

(6) For each person listed below, a completed copy of the commission's form entitled "Personal information form":

(a) Each person who has a substantial interest in the applicant;

(b) Each person who is the chief executive officer, the chairman of a board, and the financial records officer of a corporation and/or bona fide nonprofit charitable organization;

(c) Each person who will serve in a supervisory capacity over those persons in the direct management or direct operation of the activity for which the license is sought;

(7) If any information required on the application, changes or becomes inaccurate in any way, the commission shall be notified prior to issuance of a license. Failure to notify the commission of any changes affecting an applica-

tion may constitute grounds for suspension or revocation of all licenses.

(8) Sections (1), (2), and (6) shall not apply to applications by or on behalf of an incorporated city or town in the state of Washington.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-04-022, filed 4/18/89, effective 7/1/89.]

WAC 230-04-024 Bona fide charitable or nonprofit organizations—Minimum qualifications—Restrictions—Definitions. All organizations requesting to be certified to conduct gambling activities for charitable or nonprofit purposes must provide conclusive evidence that they are qualified under the requirements of RCW 9.46.0209 and formed and operated for purposes other than to conduct gambling activities. Each applicant shall comply with all of the following requirements and restrictions:

(1) An organization must be a bona fide charitable or nonprofit organization and have been formed and operated for the following purposes in order to conduct gambling activities:

(a) Any organization duly existing under the provisions of chapters 24.12, 24.20, or 24.28 RCW;

(b) Any organization, whether incorporated or not, which has been formed and operating exclusively for one or more of the purposes set out in WAC 230-02-155 and/or 230-02-161;

(c) Any corporation which has been incorporated under Title 36 U.S.C. and whose principal purposes are to furnish volunteer aid to members of the Armed Forces of the United States and to carry on a system of national and international relief to reduce the suffering caused by pestilence, famine, fire, floods, and other national calamities;

(d) An incorporated city or town in the state of Washington; or

(e) A branch or chapter of a parent organization, when such parent organization is itself eligible for licensure. A branch or chapter must demonstrate to the satisfaction of the commission that it has not been formed and operated for purposes of conducting gambling activities and is in its own right qualified to obtain the license sought. The director may require an affidavit signed by the chief executive officer of the parent organization certifying that the branch or chapter is a bona fide subdivision of the parent organization.

(2) An organization must have been organized and continuously operating for at least twelve months prior to submitting a request to be certified. For purposes of this section, "continuously operating" means that during the immediate twelve months preceding the request, the organization has provided services to members or the public which directly relate to its stated purposes: *Provided*, That if the organization's sole function during the immediate twelve months has been fund-raising for purposes of providing future services, it may be deemed to have been "continuously operating" for purposes of this section;

(3) An organization must have at least fifteen active members as defined by WAC 230-02-183, each with an equal vote in elections of officers or board members who determine the policies of the organization;

(4) An organization must have demonstrated that it has made significant progress, measured as set forth in WAC

230-08-255, toward meeting its stated purposes during the twelve consecutive month period preceding a request to be certified;

(5) An organization must ensure that salaries or wages, if paid, are:

(a) Necessary to economically conduct the activities of the organization; and

(b) Reasonable when compared to the local prevailing wage scale for similar positions. For purposes of this section, "similar position" means a type or classification of position that has a predominance of characteristics, duties, and/or responsibilities that closely approximate those of the position being compared and which the scope of duties and responsibilities are at the same approximate level. Organizations that pay salaries or wages, that are not reasonable when compared to similar positions in the general area of employment, shall be deemed as paying salaries and wages that are directly or indirectly based on gambling receipts received.

(6) An organization must take positive steps to ensure the assets of the organization are protected from misuse, dedicated solely to the purposes of the organization, and do not inure to the benefit of private individuals;

(7) An organization must provide in its bylaws or, if incorporated, in its articles of incorporation, a statement that upon dissolution all assets of the organization remaining after satisfaction of all its debts must be distributed to another bona fide nonprofit or charitable organization qualified under RCW 9.46.0209;

(8) An organization shall not accumulate excessive reserves, as defined in WAC 230-02-137. Organizations accumulating excessive reserves may be deemed as organized primarily for purposes of gambling. Reserves shall be computed by utilizing the most recently filed financial data, as required by WAC 230-08-122. Funds transferred to an endowment or specifically restricted trust fund will not be treated as reserves for purposes of this section if the following restrictions are observed:

(a) The endowment or specifically dedicated trust fund is either legally irrevocable or restricted in a manner that approval is required by a majority of the membership prior to use or transfer of the principal or corpus;

(b) The funds are expressly dedicated for funding new programs, capital projects, or to endow service-providing activities;

(c) The funds are saved according to a plan that includes the amount to be reserved, the purpose for which the funds are being reserved, and the estimated time the reserves will be used;

(d) The plan is approved by the organization's officers or board of directors and documentation pertaining to the endowment or trust fund is submitted to the commission for review and approval; and

(e) The total amount of net gambling income that is transferred to endowment or trust funds, in combination, does not exceed two million dollars: *Provided*, That an organization may petition the director to exceed this limitation. The director may approve the petition as requested, disapprove with written comments, or approve a modified level based on facts presented. The director's decision may be appealed to the commission. Appeal of this decision will be heard at a regular public meeting of the commission under the requirements of WAC 230-50-850. The

commission's decision shall be final. Petitions for relief under this section shall include: The reason for the request, including whether the increased reserves are for charitable or nonprofit purposes and planned time-lines for use; the total amount of reserves requested; the impact on programs if the petition is denied; and alternative sources of funding available;

(9) An organization must maintain records to support compliance with the requirements of this section. Such records shall be completed per WAC 230-08-010, and include details necessary to allow reasonable confirmation of compliance by commission staff. At least the following records shall be maintained:

(a) Official minutes of all membership and board meetings including issues discussed, decisions made, and members in attendance;

(b) A listing of the names of all members. Full names, addresses, telephone numbers, and the dates they became a member must be provided for all "active members";

(c) A copy of the most recently approved articles of incorporation and bylaws; and

(d) All correspondence with the Internal Revenue Service and the secretary of state regarding the organization's status as a nonprofit organization.

(10) Incorporated cities or towns, authorized by subsection (1)(d) of this section, are exempted from the requirements of subsections (5), (6), (7), (8), and (9) of this section.

[Statutory Authority: RCW 9.46.070 (1), (8-11), (14), (16) and (20). 96-07-075, § 230-04-024, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070, 9.46.0261 and 9.46.0209. 94-01-035, § 230-04-024, filed 12/6/93, effective 1/6/94. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-04-024, filed 4/18/89, effective 7/1/89.]

WAC 230-04-030 Commission may post public notice of license application on premises.

The commission may, at its discretion, place, or require to be conspicuously placed, a notice upon each premises upon which a gambling activity is to be conducted under a license for which application has been made. The notice shall advise the public that such license has been requested and that any comments persons wish to make concerning the license application, or the propriety of granting such a license to the applicant(s), or for those premises, may be made to the commission prior to a date certain.

The applicant(s) shall take all reasonable measures to insure that the notice remains posted thereafter until the last day set forth thereon for making comment and shall report to the commission forthwith if said notice has been removed prior to that date.

[Order 9, § 230-04-030, filed 12/19/73.]

WAC 230-04-035 Certification procedure—Charitable and nonprofit organizations—Classification of purpose.

(1) Each organization requesting a license to conduct gambling shall be classified as either a "charitable organization" or a "nonprofit organization." The classification will be based upon an organization's primary purpose as set forth below:

(a) If an organization is classified as a "charitable organization," its primary purpose shall be charitable as defined in WAC 230-02-160.

(b) If an organization is classified as a "nonprofit organization," it will be assigned one or more of the purposes set forth in WAC 230-02-161 as its primary purpose(s).

For the purposes of this classification, the term primary purpose shall mean the lawful purpose to which a majority of an organization's fiscal year income was spent or dedicated. If an organization did not use a majority of its income for any single purpose, the purpose to which the greatest percentage of its income was devoted shall be an organization's primary purpose.

(2) In determining an organization's primary purpose, the commission staff shall review the organization's declaration of purpose, reported achievements, and expenditures made during the preceding twelve months.

(3) An organization may challenge its assigned purpose, by submitting to the director additional evidence supporting its choice. The director shall then issue a written decision as to the organization's primary purpose. The director's decision may be reviewed by the commission upon written request.

[Statutory Authority: RCW 9.46.0209. 94-07-084 (Order 250), § 230-04-035, filed 3/16/94, effective 4/16/94. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-04-035, filed 4/18/89, effective 7/1/89.]

WAC 230-04-040 Certification procedure—Charitable and nonprofit organizations—Additional information required. Any organization not currently licensed to conduct gambling activities and requesting to be certified to conduct gambling activities in Group III, IV, or V, or planning to pay premises rent exceeding two thousand dollars per month, including all terms, shall submit a pro forma plan of operations, including a market study. The plan shall be detailed enough to allow commission staff the ability to assess the profitability of the planned gambling activity and potential for compliance with WAC 230-20-064 and 230-30-052(2). The plan shall include at least the following information, if applicable:

- (1) Research procedures and planning assumptions used;
- (2) Planned number of customers or attendance;
- (3) Days and hours of operations;
- (4) If planned activities include bingo, the following must be provided:
 - (a) Anticipated market area and map of competing organizations that operate similar gambling activities, along with their days of operation;
 - (b) Number of bingo sessions;
 - (c) Bingo card prices and estimated sales per player;
 - (d) Bingo prize payouts and game schedules;
 - (5) Estimated gross gambling receipts from each activity;
 - (6) Estimated expenses and net income;
 - (7) Details of income generating activities planned in conjunction with the gambling activity, such as snack bar operations or other retail sales and the anticipated net income from such activities; and
 - (8) Other information requested by commission staff.

[Statutory Authority: RCW 9.46.070 (1), (8-11), (14), (16) and (20). 96-07-075, § 230-04-040, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070. 93-13-062 (Order 240), § 230-04-040, filed 6/17/93, effective 7/18/93. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10),

(14), (19) and (20). 89-09-047 (Order 190), § 230-04-040, filed 4/18/89, effective 7/1/89.]

WAC 230-04-064 Certification procedure—All licenses—Formal commission approval. The commission shall review and make a determination regarding the qualification of all persons or organizations requesting to operate gambling activities authorized by chapter 9.46 RCW. The following review procedures apply to applicants for a license:

(1) Charitable and nonprofit organizations - To ensure that only bona fide charitable or nonprofit organizations are granted the privilege of raising funds from authorized gambling activities, the commission shall annually review the qualifications of each organization requesting a license to conduct such activities. As a part of this process, each organization shall clearly demonstrate that progress has been made in meeting its purpose(s) by submitting required information and answering such inquiries as deemed necessary by commission staff. The certification process shall be completed as follows:

(a) All organizations requesting to be certified to conduct any gambling activities in Group I, II, or III shall be reviewed by commission staff and forwarded to the commission for review and approval at a public meeting: *Provided*, That for any organization requesting to be certified to conduct gambling activities in Group III, the director may direct the staff to prepare a summary of qualifications, as required by subsection (1)(b) of this section, and provide such to the commission for review;

(b) Any organization requesting to be certified to conduct gambling activities in Group IV or V shall be reviewed by commission staff and a summary of the organization's qualifications shall be prepared and provided to the commission for review and approval;

(c) In addition, any organization requesting approval or an upgrade to conduct gambling activities in Group V shall be scheduled for formal review as a condition of licensure and periodically thereafter as determined by the director or the commission. The formal review shall be at a scheduled open meeting of the commission and, when possible, held in the general area which encompasses the organization's service area. The review will cover the organization's most recent annual financial report as required by WAC 230-08-122. If an organization desires to submit additional information, it must be submitted at least twenty days prior to the date of its scheduled review. The organization must be represented by at least three members of its board of directors, its chief executive officer, and the primary gambling manager. The organization may solicit testimony from clients, local social and welfare providing agencies, public agencies, and other charitable or nonprofit organizations. The commission may solicit information from the public or any other interested parties and shall notify local law enforcement agencies of the time and location of the review. The formal review will include a brief session for the organization to inform the commission on the progress made during its previous fiscal year in achieving its purposes, including the extent to which gambling income was used for charitable as opposed to nonprofit services and planned uses for any gambling income remaining from the previous fiscal year;

(d) At the conclusion of the review of qualifications for a charitable or nonprofit organization, the commission will approve the organization requested or:

(i) Require the organization to submit additional information;

(ii) Return the application to the staff for further investigation;

(iii) Call for a special review; or

(iv) Grant a temporary or conditional license;

(2) Commercial, individual and all other applicants - After the staff has completed its review of an application, a recommendation shall be made to the commission. The commission shall review each application at a public meeting. Each applicant found to be qualified will be issued the license requested. If the commission does not approve the application, it shall be returned to commission staff for further investigation;

(3) If an organization is currently licensed and the commission does not approve the application, the application shall be returned to commission staff for further investigation. A temporary or conditional license will be issued pending completion of the review process.

[Statutory Authority: RCW 9.46.070 (1), (8-11), (14), (16) and (20). 96-07-075, § 230-04-064, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-04-064, filed 4/18/89, effective 7/1/89.]

WAC 230-04-065 Certification procedure—Bona fide charitable and nonprofit organizations—Lower volume—Simplified application. (1) The director may prepare a simplified license application form for at least the following activities:

(a) Fund raising events (All classes);

(b) Bingo (Classes A, B, and C);

(c) Raffles (Classes A, B, C, and D); and

(d) Amusement games (Classes A, B, C, and D); and

(e) Card games (Classes C and D).

(2) The simplified application form shall follow the same procedure as required by WAC 230-04-020.

(3) At the minimum, the following information and documents shall be submitted with the application:

(a) Copy of a corporate applicant's articles of incorporation and bylaws or, if not incorporated, a copy of any bylaws and other documents which set out the organizational structure and purposes for which a noncorporate organization applicant was formed and operates. If the above documents are not available, an affidavit of the chief officer or responsible person with the organization setting out the purpose for which the organization exists and operates;

(b) A copy of the tax exemption letter from the United States Internal Revenue Service or information as to whether such exemption has been applied for and denied;

(c) The name, address and date of birth of each employee who will participate in the operation of, and of each person who will participate in the management of, the activity for which the license is sought;

(d) The name, address and date of birth of each person who has any interest in the gambling activity for which the license is sought, the building within or premises upon which the activity will occur or the equipment to be used for such gambling activity;

(4) Refer to WAC 230-20-400 for certain other exemptions subsequent to issuance of license(s). These exemptions and those referred to in WAC 230-08-015, do not apply to fund raising events.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-04-065, filed 4/18/89, effective 7/1/89. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-13-060 (Order 179), § 230-04-065, filed 6/14/88. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-04-065, filed 6/15/84. Statutory Authority: RCW 9.46.070 (4), (7), (8) and (11). 83-06-077 (Order 127), § 230-04-065, filed 3/2/83. Statutory Authority: RCW 9.46.070(7). 82-15-009 (Order 124), § 230-04-065, filed 7/9/82; Order 53, § 230-04-065, filed 5/25/76; Order 42, § 230-04-065, filed 9/18/75; Order 29, § 230-04-065, filed 1/23/75; Order 23, § 230-04-065, filed 9/23/74; Order 14, § 230-04-065, filed 3/27/74.]

WAC 230-04-070 Activities not to be conducted without a license or permit. No activity for which a license or permit from the commission is required under chapter 9.46 RCW or commission rule shall be conducted or performed, or allowed to be conducted, played or performed, on any premises unless the operator of, or person conducting or performing, the activity first obtains the appropriate license or permit from the commission.

[Statutory Authority: RCW 9.46.070(13). 79-05-026 (Order 89), § 230-04-070, filed 4/18/79; Statutory Authority: RCW 9.46.070(13). 78-06-066 (Order 85), § 230-04-070, filed 5/25/78; Order 51, § 230-04-070, filed 4/30/76; Order 23, § 230-04-070, filed 9/23/74.]

WAC 230-04-075 No license required for certain bingo, raffles, and amusement games. Bona fide charitable or bona fide nonprofit organizations organized primarily for purposes other than the conduct of gambling activities, are hereby authorized to conduct the following gambling activities without obtaining a license to do so from the commission:

(1) Raffles when:

(a) Held in accordance with all other requirements of chapter 9.46 RCW, other applicable laws, and rules of the commission; and

(b) Gross revenues from all such raffles held by the organization during the calendar year do not exceed \$5000; and

(c) Tickets to such raffles are sold only to, and winners are determined only from among, the regular members of the organization conducting the raffle: *Provided*, That the term members for this purpose shall mean only those persons who have become members prior to the commencement of the raffle and whose qualification for membership was not dependent upon, or in any way related to, the purchase of a ticket, or tickets, for such raffles; and

(2) Bingo, raffles, and amusement games when:

(a) Such activities are held in accordance with all other requirements of chapter 9.46 RCW as now or hereafter amended, other applicable laws, and rules of the commission; and

(b) Said activities are, alone or in any combination, conducted no more than twice each calendar year and over a period of no more than twelve consecutive days each time, notwithstanding the limitations of RCW 9.46.0205 as now or hereafter amended: *Provided*, That a raffle conducted under this subsection may be conducted for a period longer than twelve days; and

(c) Only bona fide members of that organization, who are not paid for such services, participate in the management or operation of the activities; and

(d) Gross revenue to the organization from all the activities together does not exceed five thousand dollars during any calendar year; and

(e) All revenue therefrom, after deducting the cost of prizes and other expenses of the activity, is devoted solely to the purposes for which the organization qualifies as a bona fide charitable or nonprofit organization; and

(f) The organization gives notice at least five days in advance of the conduct of any of the activities to the local police agency of the jurisdiction within which the activities are to be conducted of the organization's intent to conduct the activities, the location of the activities, and the date or dates they will be conducted; and

(g) The organization conducting the activities maintains records for a period of one year from the date of the event which accurately show at a minimum the gross revenue from each activity, details of the expenses of conducting the activities, and details of the uses to which the gross revenue therefrom is put.

(3) An organization may exceed the separate limits set forth in (1) and (2) above only if it first obtains a license to conduct the appropriate gambling activity from the commission, with the classification and fee to be computed, including but not limited to, all income from the activity or activities already conducted during that calendar year. The duration of the license issued shall be one year from the date of the first gross receipts received for the particular activity during the calendar year.

[Statutory Authority: RCW 9.46.070, 95-12-051, § 230-04-075, filed 6/2/95, effective 7/3/95. Statutory Authority: RCW 9.46.0209, 94-07-084 (Order 250), § 230-04-075, filed 3/16/94, effective 4/16/94. Statutory Authority: RCW 9.46.030 (2), (3) and 9.46.070 (11), (14), 83-19-024 (Order 136), § 230-04-075, filed 9/13/83; Order 23, § 230-04-075, filed 9/23/74.]

WAC 230-04-080 Certain activities to be operated as a commercial stimulant only—Licensing of food and/or drink businesses. The commission may issue a license to operate punchboards and pull tabs or public card rooms as commercial stimulants to any established business primarily engaged in the sale of food and/or drink items for consumption on the licensed premises. Such activities shall not be operated other than as a commercial stimulant. The following requirements apply to applicants for a license to use gambling activities to stimulate food and/or drink sales:

(1) For purposes of chapter 9.46 RCW and these rules, a business shall be presumed to be a "food and/or drink business" as defined by WAC 230-02-370 if:

(a) It is licensed by the liquor control board to sell alcohol beverages at retail to the public for on-premises consumption and:

(i) It is a tavern that holds a valid Class "B" liquor license; or

(ii) It is a restaurant with a cocktail lounge that holds a valid Class "H" liquor license.

(b) It sells food and/or drink items at retail to the public and:

(i) All food is prepared and served for consumption on the licensed premises: *Provided*, That food may be prepared at other locations and served on the premises if the food is:

(A) Prepared by the licensed business; or

(B) Purchased from caterers by the licensed business as a wholesale transaction and resold to customers at retail.

(ii) The total gross sales of food and/or drink, for on-premises consumption, is equal to or greater than all other combined nongambling gross sales, rentals, or other income producing activities which occur on the licensed premises when measured on an annual basis. Applicants seeking qualification for a license under this subsection shall submit data necessary to evaluate compliance with these requirements as a part of their application. For purposes of determining total gross sales of food and drink for on-premises consumption, meals furnished to employees, free of charge, shall be treated as sales only if:

(A) Detailed records are maintained;

(B) The sale is recorded at estimated cost or menu price, but not more than five dollars per meal; and

(C) No more than one meal per employee is recorded during any four-hour work shift.

(2) When an individual, partnership, or corporation operates two or more businesses within the same building or building complex and such businesses meet the requirements of subsection (1)(a) or (b) of this section, one of the businesses may be designated as a "food and/or drink business" if all of the following conditions are met:

(a) The business being stimulated is physically isolated from all other businesses by walls and doors that clearly demonstrate the business is separate from other business being transacted at that location;

(b) All business transactions conducted by the applicant business are separated from the transactions conducted by all other businesses:

(i) Legally in the form of a separate corporation or partnership; or

(ii) By physical separation of all sales and accounting functions, and the methods of separation are approved by the commission;

(c) All gambling activities are located and occur upon the licensed premises, as defined in the license application and approved by the commission; and

(d) All gambling activities occur only when the food and/or drink business is open for customer service.

[Statutory Authority: RCW 9.46.070 and 9.46.0217, 95-07-094, § 230-04-080, filed 3/17/95, effective 7/1/95; Order 23, § 230-04-080, filed 9/23/74.]

WAC 230-04-110 Licensing of manufacturers. Except as authorized by WAC 230-04-115, a license must be obtained from the commission prior to manufacturing, selling, or supplying gambling equipment to any person(s) within this state, or for use within this state. The following definitions and requirements apply to certification and licensing of manufacturers:

(1) For [the] purposes of this title, "gambling equipment" includes at least the following devices:

(a) Punchboards and pull tabs;

(b) Devices for the dispensing of pull tabs;

(c) Bingo equipment, as defined by WAC 230-02-250; and

(d) Any gambling equipment, patented or otherwise restricted gaming schemes, or paraphernalia for use in connection with licensed fund-raising events, recreational gaming activities, tribal gaming activities or class III tribal activities.

(2) The applicant shall include upon the application form supplied by the commission, the following information, as well as all other information and materials required elsewhere in these rules:

(a) The full name and address of the applicant;

(b) The full name and address of each location where such devices are manufactured or stored;

(c) The name, home address, and share of ownership of all owners of the manufacturing business if the business is not a corporation. If the business is a corporation, the name, address, and share of ownership of the officers, the directors, and substantial interest holders;

(d) A full description of each separate type of gambling equipment or device that an applicant seeks to manufacture or to market in this state;

(e) The brand name under which each type of gambling device or equipment is sold;

(f) If the applicant is incorporated under laws other than the laws of Washington state, then the full name and business and home address of the resident agent designated by the applicant pursuant to WAC 230-12-300; and

(g) A list of all distributors receiving gambling equipment and all businesses or organizations located within the state of Washington in which the applicant has any financial interest and the details of that financial interest. For the purpose of this subsection, the term financial interest shall include all arrangements through which a person directly or indirectly receives any portion of the profits of the licensed manufacturer and indebtedness between the licensee and any other person, other than a regulated financial institution, in excess of five thousand dollars.

(3) An applicant must demonstrate the ability to comply with all manufacturing, quality control, and operational restrictions imposed on authorized gambling equipment, patented or otherwise restricted gaming schemes, or equipment that it seeks to manufacture or market for use within the state of Washington. The licensing process shall include an on-site review of the applicant's manufacturing equipment and process for each separate type of authorized gambling device, equipment, or scheme to ensure capability to comply with all regulatory requirements of this title and state/tribal compacts;

(4) The following information shall be included as an attachment to the application form:

(a) A list of all affiliated businesses or corporations in which the applicant, officers, directors, or substantial interest holders of the applicant, either directly or indirectly, own or control:

(i) As a sole proprietor; or

(ii) As a partner; or

(iii) More than fifty percent of the voting stock of a privately held or closed corporation; or

(iv) At least five percent of the voting stock of a publicly traded corporation.

(b) A list of all businesses or corporations licensed to conduct gambling activities or to supply gambling-related equipment, supplies, or services in which the applicant,

officers, directors, or substantial interest holders of the applicant have any interest;

(c) A list of all jurisdictions in which the applicant or any of the officers, directors, or substantial interest holders of the applicant have been licensed regarding gambling-related activities at any level during the preceding ten years;

(d) A statement regarding whether the applicant or officers, directors, or substantial interest holders have ever had a license for gambling-related activities denied, revoked, or suspended by any jurisdiction for a period longer than thirty days. All details of such must be provided as a part of the application; and

(e) A statement acknowledging that all records related to the ownership or operation of the business shall be made available for review at the time and place requested by commission staff. In addition to other records requested, the following shall be available:

(i) Personal financial records of all substantial interest holders;

(ii) All records related to the scope of activity, including sales of product, purchases of raw materials and parts, and any contracts, franchises, patent agreements, etc., related to sales or purchases; and

(iii) Records related to any financial or management control of or by customers and suppliers.

(5) The applicant shall notify the commission within thirty days of any change in the information submitted on or with the application form; and

(6) The applicant shall comply with all applicable laws of the United States and the state of Washington and all applicable rules of this commission.

[Statutory Authority: RCW 9.46.070, 95-12-052, § 230-04-110, filed 6/2/95, effective 7/3/95; 94-01-033, § 230-04-110, filed 12/6/93, effective 1/6/94. Statutory Authority: RCW 9.46.070 and 9.46.0331, 91-19-093 (Order 227), § 230-04-110, filed 9/18/91, effective 10/19/91. Statutory Authority: RCW 9.46.070 (4), (11) and (14), 89-24-002 (Order 201), § 230-04-110, filed 11/27/89, effective 12/28/89. Statutory Authority: RCW 9.46.070 (4) and (6), 79-07-019 (Order 90), § 230-04-110, filed 6/14/79; Order 12, § 230-04-110, filed 2/14/74; Order 9, § 230-04-110, filed 12/19/73 at 1:26 p.m.; Order 5, § 230-04-110, filed 12/19/73 at 1:25 p.m.]

WAC 230-04-115 Licensing of manufacturers—Exception—Special sales permit. The director may grant a special sales permit authorizing a manufacturer to sell to a distributor or a tribal government, on a limited basis, authorized gambling equipment, patented or otherwise restricted gaming scheme, or paraphernalia. A special sales permit may be issued when demand for a particular type of equipment, scheme, or paraphernalia is anticipated to be below the level of economic feasibility of obtaining a license or the type of product is not one for which licensing under WAC 230-04-110 is necessary to protect the public interest. Application for a special sales permit shall be processed in the following manner:

(1) An application shall be submitted on a form obtained from the commission setting forth the following information:

(a) Description of product(s), including trade name(s);

(b) Anticipated scope of sales, in quantity and dollar value;

(c) The name and address of the distributor(s) that will broker the equipment;

(d) All information necessary to determine the qualification of the manufacturer;

(e) A list of all jurisdictions in which the applicant business or any of the officers, directors, or substantial interest holders is currently licensed to conduct business related to gambling; and

(f) The application shall be accompanied by a nonrefundable processing fee of two hundred dollars. Applicants may be assessed additional fees after an estimate of investigation costs have been established;

(2) Upon receipt of all moneys requested by the commission, a limited investigation shall be initiated, the scope of which shall be established using the following criterion:

(a) Anticipated demand for such equipment;

(b) The nature of the equipment, including other sources of such equipment;

(c) The availability of information from appropriate sources to verify the qualification of such manufacturer;

(d) Annual sales compared to the anticipated cost of a comprehensive licensing investigation;

(e) Whether the equipment, after installation, will require an ongoing relationship with the manufacturer;

(f) Security issues related to the manufacturing, installation, and ongoing service of the equipment; and

(g) Other factors deemed relevant;

(3) At any time during the investigation process, the director may determine that a license is required under WAC 230-04-110. Upon notification of such, the applicant may withdraw their permit application without prejudice. If the applicant elects to proceed with an application for a manufacturer's license, all fees will be credited toward the appropriate license fee;

(4) A special sales permit shall be valid for a period of one year from the date of issuance: *Provided*, That the director may void a permit upon written notice and require a license be obtained under WAC 230-04-110 prior to further sales.

[Statutory Authority: RCW 9.46.070. 95-12-052, § 230-04-115, filed 6/2/95, effective 7/3/95.]

WAC 230-04-120 Licensing of distributors. Prior to selling, renting, or otherwise supplying gambling equipment, supplies, or related paraphernalia, including service of such, to any person within the state of Washington or for use within the state of Washington, a distributor shall first obtain a license from the commission. The following definitions and requirements apply to certification and licensing of distributors:

(1) For purposes of this title, a license is required to sell, rent, or otherwise provide to any person the following items and/or services:

(a) Punchboards and pull tabs;

(b) Devices for the dispensing of pull tabs;

(c) Bingo equipment, as defined by WAC 230-02-250;

(d) Any gambling equipment or paraphernalia for use in connection with licensed fund-raising events, recreational gaming activities, or Class III gaming activities; and

(e) Organizing and conducting recreational gaming activities on behalf of persons as defined by WAC 230-02-505.

(2) The applicant shall include upon the application form supplied by the commission, the following information, as well as all other information and materials required elsewhere in these rules:

(a) The full name and address of the applicant;

(b) The business name and address of each location operated by the distributor or where records or inventory will be located;

(c) The name, home address, and share of ownership of all owners of the business if the business is not a corporation. If the business is a corporation, the name, address, and share of ownership of the officers, the directors, and substantial interest holders;

(d) A full description of each separate type of gambling equipment or related supplies that the distributor intends to market in this state or for use in this state;

(e) The brand name under which each type of gambling equipment will be sold;

(f) If the applicant does not maintain a business office within the state or is incorporated in another state or county, then the full name and business and home address of the resident agent designated by the applicant pursuant to WAC 230-12-300; and

(g) A list of all manufacturers of gambling equipment and all businesses or organizations located in the state of Washington in which the applicant has any financial interest and the details of that financial interest. For the purposes of this subsection, the term financial interest shall include all arrangements through which a person directly or indirectly receives any portion of the profits of the licensed distributor and indebtedness between any other person and the applicant, other than a regulated financial institution, in excess of five thousand dollars.

(3) The following information shall be included as an attachment to the application form:

(a) A list of all affiliated businesses or corporations in which the applicant, officers, directors, or substantial interest holders of the applicant, either directly or indirectly, own or control:

(i) As a sole proprietor; or

(ii) As a partner; or

(iii) More than fifty percent of the voting stock of a privately held or closed corporation; or

(iv) At least five percent of the voting stock of a publicly traded corporation.

(b) A list of all businesses or corporations licensed to conduct business related to gambling activities in which the applicant, officers, directors, or substantial interest holders of the applicant have any interest;

(c) A list of all jurisdictions in which the applicant or any of the officers, directors, or substantial interest holders of the applicant have been licensed for gambling-related activities at any level during the preceding ten years;

(d) A statement regarding whether the applicant or officers, directors, or substantial interest holders of the applicant have ever had a license for gambling-related activities denied, revoked, or suspended by any jurisdiction for a period longer than thirty days. All details of such must be provided as a part of the application; and

(e) A statement acknowledging that all records related to the ownership or operation of the business shall be made available for review at the time and place requested by

commission staff. In addition to other records requested, the following shall be available:

(i) Personal financial records of all substantial interest holders;

(ii) All records related to the scope of activity, including suppliers, customers, and any contracts related to sales or purchases; and

(iii) Records related to any financial or management control of or by customers and suppliers.

(4) The applicant shall notify the commission within thirty days of any change in the information submitted on or with the application form; and

(5) The applicant shall comply with all applicable laws of the United States and the state of Washington and all applicable rules of this commission.

[Statutory Authority: RCW 9.46.070 (4), (11), (14), (17) and (20). 96-09-071 and 96-11-126, § 230-04-120, filed 4/16/96 and 5/21/96, effective 7/1/96. Statutory Authority: RCW 9.46.070(4) and 9.46.215. 95-19-071, § 230-04-120, filed 9/18/95, effective 1/1/96. Statutory Authority: RCW 9.46.070. 94-01-033, § 230-04-120, filed 12/6/93, effective 1/6/94. Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-04-120, filed 9/18/91, effective 10/19/91. Statutory Authority: Chapter 9.46 RCW. 91-15-040 (Order 224), § 230-04-120, filed 7/17/91, effective 8/17/91. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-04-120, filed 11/27/89, effective 12/28/89. Statutory Authority: RCW 9.46.070 (1), (4), (5), (6), (7), (11), (14) and (17) and 9.46.310. 85-01-065 (Order 145), § 230-04-120, filed 12/18/84; Order 80, § 230-04-120, filed 12/28/77; Order 23, § 230-04-120, filed 9/23/74; Order 14, § 230-04-120, filed 3/27/74; Order 5, § 230-04-120, filed 12/19/73.]

WAC 230-04-124 Licensing of manufacturers and distributors representatives. (1) Prior to selling or supplying to any person gambling equipment or gambling paraphernalia for use in connection with licensed gambling activities, a representative or agent of a licensed manufacturer or distributor shall first obtain a license from the commission.

(2) A sole owner, partner, major officer and/or owner of a substantial interest in a corporation licensed as a manufacturer or distributor shall not be required to be additionally licensed as a representative to engage in the selling or supplying of the manufacturer's or distributor's products or services. Office, clerical or warehouse personnel employed by the manufacturer or distributor who have contact with the public and potential customers occasionally and only by telephone or at the manufacturer's or distributor's own premises when working under the immediate and direct supervision of the owner, a partner, or major officer of a corporation, shall also be exempt from this licensing requirement. A manager or supervisor who is not a sole owner, partner or a major officer or owner of a substantial interest in a licensed manufacturer or distributor and whose duties and responsibilities include the supervision of selling, supplying and/or the promotion of the manufacturer's or distributor's products shall be licensed as required by this rule prior to performing such functions. A manufacturer or distributor shall not allow an unlicensed person to represent them in such transactions and shall take all measures necessary to prevent an unlicensed person from doing so.

(3) On or before the first day he or she actually performs work as a representative, a person shall submit a complete application for a license to the commission. The application shall not be deemed complete until all questions on the application form and attachments are fully and

truthfully answered and the form, with all attachments and the required fee, has been delivered to the commission office during regular business hours (or actually deposited in the United States mail properly addressed to the commission).

(4) The manufacturer or distributor for which the representative will work shall sign the application of each such representative acknowledging that the applicant will be representing them with their full knowledge and consent.

(5) In addition to the above requirements, an applicant applying for a license as a distributor's representative shall:

(a) Complete a training course provided by the commission within 30 days after the first day worked; and

(b) Represent only one licensed distributor at a time and shall not represent a manufacturer: Provided, that this rule shall not bar the distributor's representative from representing his own distributor who is also licensed as a manufacturer.

[Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-04-124, filed 9/18/91, effective 10/19/91. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-04-124, filed 11/27/89, effective 12/28/89.]

WAC 230-04-125 Distributor's representative license may be reissued when changing distributors. In

the event that a licensed distributor's representative ceases to represent the distributor under which a license was granted, the license shall be automatically suspended and shall be returned to the commission: *Provided*, That a person may apply to have the remaining term of a license represent a different distributor. The fee for this transfer shall be as required by WAC 230-04-204. The distributor which the distributor's representative seeks to represent shall sign the application for transfer acknowledging that the applicant for transfer will be representing the distributor with the distributor's knowledge and consent.

[Statutory Authority: Chapter 9.46 RCW. 94-24-056 (Order 262), § 230-04-125, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-04-125, filed 6/15/84; Order 14, § 230-04-125, filed 3/27/74; Order 9, § 230-04-125, filed 12/19/73.]

WAC 230-04-135 Commercial amusement games—License required. Prior to operating, renting, leasing, or otherwise sharing in the proceeds of amusement games

operated at any location, commercial amusement game operators shall first obtain a license from the commission. The following requirements apply to commercial amusement game operators:

(1) Class A commercial amusement game licensees may allow a Class B and above licensee to operate amusement games at their business premises.

(2) Class B and above commercial amusement game licensees may locate and operate amusement game at any location authorized by WAC 230-04-138 or rent, lease, or sell amusement devices or amusement game equipment on a time basis to any licensed amusement game operator.

(3) In addition to the requirements for certification as set out in WAC 230-04-020 and all other sections of this title, applicants must provide the following additional information for each operating locations:

(a) All locations:

(i) A list of all locations and time and dates at which the activity will be operated;

(ii) When operated at a location not owned, rented, or leased by the applicant, written permission from the person, organization, county, city or town, or an authorized agent thereof, to locate and operate amusement games at that location;

(iii) A personal information form for all "adult supervisors," as required by WAC 230-20-680(2);

(iv) A copy of any rental/lease agreement which allows operation of commercial amusement games at any location not owned or otherwise controlled by a licensee. The document must disclose full details of the rental/lease agreement, including any revenue sharing provisions, all costs to be shared, and any restrictions regarding the number of amusement games to be operated; and

(v) Copies of any contract related to rental, lease, or purchase agreement of amusement game equipment.

(b) Permanent locations. In addition to the information required by (a) of this subsection, all applicants requesting to operate amusement games at locations authorized by WAC 230-04-138 (1)(f), (g), (h), (i), (j), (k), or (l) must provide details necessary to determine qualification of the location for operation of the activity and include the following minimum details:

(i) Amusement parks, as authorized by WAC 230-04-138 (1)(f): The number of mechanical or aquatic rides, theatrical productions, motion pictures, and slide show presentations available for the public;

(ii) Regional shopping center, as authorized by WAC 230-04-138 (1)(g): The size of the shopping center, in gross square feet not including parking areas;

(iii) Taverns and restaurant with cocktail lounges, as authorized by WAC 230-04-138 (1)(h): Washington state liquor control board license number and expiration date, and a statement of whether minors are prohibited from all portions of the premises;

(iv) Movie theaters, bowling alleys, miniature golf course facilities, skating facilities, and amusement centers, as authorized by WAC 230-04-138 (1)(i): A complete description of the business activities conducted; and if an amusement center, the number of amusement devices and income derived from such devices and all other business activities conducted by the licensee during the last twelve months;

(v) Family entertainment restaurants, as authorized by WAC 230-04-138 (1)(j): The number of amusement devices, theatrical productions, mechanical rides, motion pictures, and slide show presentation available for customers on a daily basis; and the amount of gross income generated from the entire business and that portion of gross income generated from food service for on-premises consumption; and

(vi) Grocery stores as authorized by WAC 230-04-138 (1)(k): The type of retail products sold and size of the store premises, in gross square feet not including parking areas.

(c) Limited duration locations. In addition to the information required by (a) of this subsection, all applicants requesting to operate commercial amusement games must receive written permission from the sponsor of any activity authorized by WAC 230-04-138 (1)(a), (d), or (e) and submit an itinerary that includes planned operating dates for all locations at which the applicant plans operations during the

year. This itinerary must be updated any time the dates of operation change.

[Statutory Authority: RCW 9.46.070, 93-19-090 (Order 244), § 230-04-135, filed 9/15/93, effective 10/16/93. Statutory Authority: Chapter 9.46 RCW, 91-21-053 (Order 228), § 230-04-135, filed 10/15/91, effective 11/15/91.]

WAC 230-04-138 Commercial amusement games—Authorized locations. (1) Amusement games may only be conducted by commercial amusement game licensees when operated as a part of, and/or upon the site of:

(a) Any agricultural fair as authorized under chapter 15.76 or 36.37 RCW; or

(b) A civic center of a county, city or town; or

(c) A world's fair or similar exposition which is approved by the Bureau of International Expositions at Paris, France; or

(d) A community-wide civic festival held not more than once annually and sponsored or approved by the city, town, or county in which it is held; or

(e) A commercial exposition organized and sponsored by an organization or association representing the retail sales and service operators conducting business in a shopping center or other commercial area developed and operating for retail sales and service, but only upon a parking lot or similar area located in said shopping center or commercial area for a period of no more than seventeen consecutive days by any licensee during any calendar year; or

(f) An amusement park. An amusement park is a group of activities, at a permanent location, to which people go to be entertained through a combination of various mechanical or aquatic rides, theatrical productions, motion picture and/or slide show presentation with food and drink service. The amusement park must include at least five different mechanical or aquatic rides, three additional activities and the gross receipts must be primarily from these amusement activities; or

(g) Within a regional shopping center. A regional shopping center is a shopping center developed and operated for retail sales and service by retail sales and service operators and consisting of more than six hundred thousand gross square feet not including parking areas. Amusement games conducted as a part of, and upon the site of, a regional shopping center shall not be subject to the prohibition on leases of premises based on a percentage of gambling receipts set forth in RCW 9.46.120; or

(h) Any location that possesses a valid license from the Washington state liquor control board and prohibits minors on their premises; or

(i) Movie theaters, bowling alleys, miniature golf course facilities, skating facilities, and amusement centers. For the purposes of this section an amusement center shall be defined as a permanent location whose primary source of income is from the operation of ten or more amusement devices; or

(j) Any business whose primary activity is to provide food service for on premises consumption; or

(k) Within a grocery store. A grocery store is any retail store selling a line of dry grocery, canned goods, or nonfood items plus some perishable items consisting of more than twelve thousand gross square feet not including the parking areas; or

(1) Any premise controlled and operated by a bona fide charitable/nonprofit organization that it currently licensed to operate punchboards and pull tabs and/or bingo if the rent or other consideration paid to the charitable/nonprofit organization is equal to or greater than twenty-two percent of the gross gambling receipts of the activity.

(2) No amusement games may be conducted in any location except in conformance with local zoning, fire, health, and similar regulations.

(3) No amusement games may be conducted in any location(s) without first having obtained written permission to do so from the person or organization owning the premises or property where the activity will be operated. If the games are conducted as a part of or in conjunction with any of the activities set out in subsection (1)(a), (b), (c), (d), or (e) of this section, written permission must be obtained from the person or organization sponsoring the activity.

(4) All rental agreements relating to use of a premises or site to conduct amusement games must be submitted to the commission as a part of the application.

(5) Any operator licensed to conduct Class B or above amusement games may enter into a contract with the business owner of any of the locations set out in subsection (1)(f), (g), (h), (i), (j), (k), or with charitable/nonprofit organizations set out in subsection (l) of this section to locate and operate amusement games upon their premises if they are licensed to conduct amusement games. All such contracts must be written and specific in terms, setting out the time of the contract, amount of rent or consideration, rent due dates, and all expenses to be borne by each party.

[Statutory Authority: RCW 1996 c 283 § 314, RCW 9.46.0331, 9.46.070 (1), (3), (5), (7)-(9), (11), (13), (14), (17), (20) and 9.46.090. 96-19-081 (Order 300), § 230-04-138, filed 9/18/96, effective 10/19/96. Statutory Authority: RCW 9.46.070. 93-19-090 (Order 244), § 230-04-138, filed 9/15/93, effective 10/16/93; 93-01-013, § 230-04-138, filed 12/4/92, effective 1/4/93. Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-04-138, filed 9/18/91, effective 10/19/91.]

WAC 230-04-140 Licensing of public card room employees. (1) No person shall act as a public card room employee unless he or she has either received a license to do so from the commission or, if:

(a) The commission has not previously revoked a license or denied an application by that person for such a license; and

(b) He or she has properly applied for such license. If there has been such a previous denial or revocation, or if the applicant has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to certain offenses set forth in RCW 9.46.158, that person shall not act as a public card room employee unless he or she has been issued a license by the commission.

(2) On or before the first day he or she actually performs work as a public card room employee, a person shall submit an application for a license to the commission. Such application shall not be deemed complete and properly submitted for the purposes of this rule unless and until all questions on the commission's application form and attachments are fully and truthfully answered and the form, with all attachments, together with the required fee, has been delivered to the commission office during regular business hours (or actually deposited in the United States mail

properly addressed to the commission): Provided, That the requirements of this section shall not apply to persons employed in a public card room operating under a Class B or Class D license only. In addition, the applicant must complete a training course as provided by the commission within 30 days after the first day worked.

(3) If an applicant elects to perform the duties of a card room employee prior to receiving a license as authorized under the provisions of paragraph (1)(a) and (b) above, the commission shall retain the entire application fee regardless of the disposition of the application.

(4) A sole owner, partner, major officer and/or owner of a substantial interest in a corporation licensed to operate a public card room shall not be required to be additionally licensed as a public card room employee to perform duties in connection with the card room. Except as provided in this section, an operator of a public card room shall not employ any unlicensed person to perform duties for which a license is required in or in connection with a public card room, and shall take all measures necessary to prevent an unlicensed person from doing so.

[(5)] The operator of a public card room or partner or officer of the entity operating the card room for which the applicant will work shall sign the application of each such public card room employee acknowledging that the applicant will be working for that operator with the operator's knowledge and consent.

[Statutory Authority: RCW 9.46.070 and 9.46.116. 96-24-007 (Order 304), § 230-04-140, filed 11/21/96, effective 1/1/97. Statutory Authority: Chapter 9.46 RCW. 87-09-043 (Order 167), § 230-04-140, filed 4/14/87. Statutory Authority: RCW 9.46.070 (1), (7), (11), (14), and (17). 83-21-073 (Order 137), § 230-04-140, filed 10/18/83. Statutory Authority: RCW 9.46.070(16). 80-03-059 (Order 98), § 230-04-140, filed 2/25/80; 79-09-029 (Order 91), § 230-04-140, filed 8/14/79; 78-08-055 (Order 86), § 230-04-140, filed 7/20/78, effective 9/1/78; 78-06-066 (Order 85), § 230-04-140, filed 5/25/78, effective 9/1/78.]

Reviser's note: RCW 34.05.395 requires the use of underlining and deletion marks to indicate amendments to existing rules, and deems ineffectual changes not filed by the agency in this manner. The bracketed material in the above section does not appear to conform to the statutory requirement.

WAC 230-04-142 Notification to the commission upon beginning, terminating, or changing employment—Public card room employees. A licensed public card room operator shall notify the commission in writing when a card room employee has begun work in the card room or has terminated employment for any reason.

The notification shall include the full name, sex and birthdate of the employee, and among other things, the date the employee began to work for the card room operator, with an acknowledgement that he or she has done so with the operator's knowledge and consent, or the date employment terminated. The report shall be made immediately and must reach the commission's Olympia office not later than 5 p.m. on the tenth day following the employee's first day of work or last day of work, as applicable. If the tenth day falls on a Saturday, Sunday or state holiday, it shall be due upon the next following business day.

This rule shall not apply to persons operating a public card room under a Class B or Class D license only.

[Statutory Authority: RCW 9.46.070(7). 79-09-029 (Order 91), § 230-04-142, filed 8/14/79.]

WAC 230-04-143 Licensing of commercial gambling managers. *What application procedures must I complete prior to working as a commercial gambling manager?*

(1) On or before the first day he or she actually performs work as a commercial gambling manager, a person shall submit an application for a license to the commission. Such application shall not be deemed complete and properly submitted for the purposes of this rule unless and until all questions on the commission's application form and attachments are fully and truthfully answered and the form, with all attachments, together with the required fee, has been delivered to the commission office during regular business hours (or actually deposited in the United States mail properly addressed to the commission). In addition, the applicant must complete a training course as provided by the commission within 30 days after the first day worked.

(2) If an applicant elects to perform the duties of a commercial gambling manager prior to receiving a license, as authorized under provisions of paragraph (5)(a) and (5)(b) below, the commission shall retain the entire application fee regardless of the disposition of the application.

(3) A sole owner, partner, major officer and/or owner of a substantial interest in a corporation licensed to operate a progressive jackpot pull tab game shall not be required to be additionally licensed as a commercial gambling manager to perform duties in connection with the activity.

(4) The operator of a progressive jackpot pull tab game or partner or officer of the entity operating activity for which the applicant will work shall sign the application of each such commercial gambling manager acknowledging that the applicant will be working for that operator with the operator's knowledge and consent.

When can I begin working as a commercial gambling manager?

(5) No person shall act as a commercial gambling manager for the operation of progressive jackpot pull tab games unless he or she has either received a license to do so from the commission or, if:

(a) The commission has not previously revoked a license or denied an application by that person for such a license; and

(b) He or she has properly applied for such license. If there has been such a previous denial or revocation, or if the applicant has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to certain offenses set forth in RCW 9.46.158, that person shall not act as a commercial gambling manager unless he or she has been issued a license by the commission.

[Statutory Authority: RCW 9.46.070, 9.46.120, 9.46.0273, 9.46.310 and 34.05.313. 96-24-006 (Order 305), § 230-04-143, filed 11/21/96, effective 1/1/97.]

WAC 230-04-145 Licensing of charitable or non-profit gambling managers—Application procedures. Each charitable or nonprofit organization licensed to conduct gambling activities shall designate gambling managers who will be responsible to the officers or board of directors for the proper conduct of the activity and safeguarding of all funds generated by such. An individual may be designated as the gambling manager for more than a single activity if so noted on the application for each activity. No person shall

(1997 Ed.)

perform the duties of a gambling manager, as set out in WAC 230-12-079, unless they have been approved by the commission. Applicants for a license to perform duties of a gambling manager shall comply with the following procedures:

Who must apply for a charitable or nonprofit gambling manager license?

(1) Gambling managers responsible for the following functions of a charitable or nonprofit organization shall be licensed by the commission:

(a) Primary manager of Class D and above bingo games;

(b) Primary manager of Class C and above punchboards and pull tabs;

(c) Any employee responsible for supervision of gambling managers required to be licensed by (a) or (b) of this subsection;

(d) The employee assigned the highest level of authority by the officers or governing board of directors to manage the day-to-day affairs of the organization and who is responsible for safeguarding assets purchased with gambling funds or managing the disbursement of gambling funds when:

(i) The organization is licensed to receive more than three hundred thousand dollars in gross gambling receipts; or

(ii) The organization has an established trust and/or endowment fund and gambling receipts in excess of one hundred thousand dollars have been contributed to such funds; and

(e) An employee responsible for supervision of the operation of progressive jackpot pull tab games, as authorized in WAC 230-30-025.

What must I do if I wish to begin work as a gambling manager before I have received my permanent license?

(2) Prior to performing duties as a licensed gambling manager, each applicant shall:

(a) Submit a completed application to the commission on or before the first day the applicant begins working: *Provided*, That an applicant shall not perform any of the duties of a gambling manager prior to issuance of a license by the commission if one or more of the following conditions exist:

(i) The applicant has been previously denied a license or had a license suspended or revoked by the commission;

(ii) The applicant has been served administrative or criminal charges and such charges are pending at the time of the application;

(iii) The applicant has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to any offense set forth in RCW 9.46.158; or

(iv) The applicant has violated, failed, or refused to comply with provisions, requirements, conditions, limitations, or duties imposed by chapter 9.46 RCW or any rules of the commission.

(b) Complete a training course provided by the commission within thirty days after the first day worked as required by WAC 230-04-020. Individuals that have been performing duties or assigned responsibilities that require a gambling manager license under this section, for at least ninety days prior to the effective date of this section, may be exempted

from such training by the director. Types of training required:

(i) Individuals applying for a license under the provisions of subsection (1)(a), (b), or (c) of this section shall attend training for each gambling activity for which they have been assigned primary or secondary oversight responsibility; and

(ii) Individuals applying for a license under the requirements of subsection (1)(d) of this section shall attend training related to safeguarding assets and proper uses of gambling funds.

(3) If an applicant elects to perform the duties of a charitable or nonprofit gambling manager prior to receiving a permanent license as authorized under the provisions of subsection (2) above the commission shall retain the entire application fee regardless of the disposition of the application.

What must the application contain?

(4) Each application shall be submitted as specified in WAC 230-04-020, and signed by both the applicant and the highest ranking executive officer of the organization;

For how long will a gambling manager license be valid?

(5) A gambling manager license shall be valid for a period not to exceed one year beginning on the date of issuance or the date the application was submitted if the applicant began working prior to licensure, as authorized by subsection (2)(a) of this section, whichever occurs first: *Provided*, That should a licensed gambling manager's employment with the organization listed on the license application be terminated, for any reason, the license shall become immediately void. This individual must reapply for a license prior to performing gambling manager duties for any other charitable or nonprofit organization. Prior to granting a license to a previously licensed gambling manager, the commission shall conduct an investigation to determine the continued qualification of the individual. Such investigation may include inquiries to the previous employer;

What are the fees governing this type of license?

(6) The fee for this license shall be as required by WAC 230-04-204: *Provided*, That if an applicant is changing employment from one licensee to another prior to the expiration date as specified in subsection (4) of this section, the fee shall be as required for license renewal;

Can an organization have more than one gambling manager?

(7) An organization may appoint more than one gambling manager who is responsible for supervising bingo games or punchboard and pull tab operations. The manager assigned the highest level of authority for each specific activity shall be designated on the application as the "primary gambling manager" and all others as "assistant gambling managers."

[Statutory Authority: RCW 9.46.070, 9.46.120, 9.46.0273, 9.46.310 and 34.05.313. 96-24-006 (Order 305), § 230-04-145, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070. 95-09-062 (Order 268), § 230-04-145, filed 4/18/95, effective 5/19/95. Statutory Authority: Chapter 9.46 RCW. 94-24-056 (Order 262), § 230-04-145, filed 12/5/94, effective 1/5/95; 87-15-052 (Order 169), § 230-04-145, filed 7/14/87; 87-09-043 (Order 167), § 230-04-145, filed 4/14/87; 87-07-038 (Order 165), § 230-04-145, filed 3/16/87. Statutory Authority: RCW 9.46.070 (1), (7), (11), (14),

and (17). 83-21-073 (Order 137), § 230-04-145, filed 10/18/83. Statutory Authority: RCW 9.46.070(17). 81-21-032 (Order 113), § 230-04-145, filed 10/15/81.]

WAC 230-04-147 Notification to the commission upon beginning, terminating, or changing responsibilities of charitable or nonprofit gambling managers. A charitable or nonprofit organization shall notify the commission in writing when a gambling manager has been assigned primary responsibility for the operation of any gambling activity or disbursement of funds, or has terminated employment and/or responsibilities for any reason. Individuals required to be licensed shall immediately submit an application for a license, as required by WAC 230-04-020 and 230-04-145. The following procedures shall be followed for notification of changes in responsibilities of gambling managers that do not require an application:

(1) The notification shall be in writing and include:

(a) The full name and date of birth of the gambling manager;

(b) The date the gambling manager was assigned new responsibilities or the date employment and/or responsibilities terminated; and

(c) A full description of the change in duties and/or responsibilities;

(2) The notification shall be signed by the highest ranking elected officer or the individual assigned the responsibility of supervising the gambling manager;

(3) The notification shall be made immediately and must reach the commission's headquarters office in Lacey not later than 5:00 p.m. on the tenth day following the person's first day of work or last day of work, as applicable. If the tenth day falls on a Saturday, Sunday, or state holiday, it shall be due upon the next following business day.

[Statutory Authority: RCW 9.46.070. 95-09-062 (Order 268), § 230-04-147, filed 4/18/95, effective 5/19/95. Statutory Authority: RCW 9.46.070(14). 81-21-032 (Order 113), § 230-04-147, filed 10/15/81.]

WAC 230-04-151 Supplemental information. In addition to the application form the applicant or licensee shall submit any supplemental information requested by the commission to the commission within thirty days following the date of issuance of the request or within such other time as the commission may direct. Failure to timely submit any of the requested supplemental information to the commission shall be grounds for denial of the license sought, and for revocation of any licenses held.

[Order 12, § 230-04-151, filed 2/14/74.]

WAC 230-04-170 Applicants—Qualifications. Where a married person is an applicant for, or holder of a license, the spouse of such applicant, if the parties are maintaining a marital community, shall be required to have the same qualifications as the applicant.

This rule shall not apply with respect to licenses required for employees of an operator licensed to conduct activities authorized by RCW 9.46.030.

[Statutory Authority: RCW 9.46.070(13). 78-06-066 (Order 85), § 230-04-170, filed 5/25/78; Order 5, § 230-04-170, filed 12/19/73.]

WAC 230-04-175 License does not grant vested right. The issuance of any license by the commission shall not be construed as granting a vested right in any of the privileges so conferred.

[Order 25, § 230-04-175, filed 10/23/74; Order 12, § 230-04-175, filed 2/14/74; Order 5, § 230-04-175, filed 12/19/73.]

WAC 230-04-180 Fingerprinting and background checks. The commission may require as a condition precedent to the issuance of any license or any permit, fingerprinting and background checks on any person seeking a license or for whom a permit is sought, or employees thereof, of any person holding an interest in any gambling activity, building or equipment to be used therefor, or of any person participating as an employee in the operation of any gambling activity. Such fingerprints as are required by the commission may be submitted to the identification division of the federal bureau of investigation and to the Washington state bureau of criminal identification in order that these agencies may search their records for prior arrests and convictions of the individuals fingerprinted.

The applicant, or the person for whom a permit is requested, shall give full cooperation to the commission and shall assist the commission in all aspects of its investigation.

[Order 5, § 230-04-180, filed 12/19/73.]

WAC 230-04-187 Recreational gaming activity—Permit or license required. Any organization wanting to conduct or sponsor a recreational gaming activity must either:

(1) Complete the appropriate form and secure a recreational gaming permit from the commission at least fourteen days prior to commencement; or

(2) Contract with a licensed distributor to organize and conduct the recreational gaming activity on their behalf.

The fee for such activity or a distributor's license shall be as required by WAC 230-04-202 or 230-04-203.

[Statutory Authority: RCW 9.46.070 (4), (11), (14), (17) and (20). 96-09-071, § 230-04-187, filed 4/16/96, effective 7/1/96. Statutory Authority: Chapter 9.46 RCW. 91-15-040 (Order 224), § 230-04-187, filed 7/17/91, effective 8/17/91.]

WAC 230-04-190 Issuance of license—Expiration—Restrictions. (1) **Charitable and nonprofit organizations and agricultural fairs.** The commission may issue a license to qualified bona fide charitable or nonprofit organizations or to qualified agricultural fairs to operate each of the following activities upon a specified location:

(a) Bingo;

(b) Raffles;

(c) Amusement games;

(d) Punchboards and pull tabs;

(e) Social card games; and

(f) Fund raising events as defined in RCW 9.46.0233:

Provided, That any agricultural fair authorized under the provisions of chapter 15.76 or 36.37 RCW is prohibited from conducting fund raising events.

(2) **Commercial amusement games.** The commission may issue a separate license to any person to operate amusement games at one or more of the locations listed in WAC 230-04-138.

(3) **Commercial stimulant card games.** The commission may issue a license to any person operating a business primarily engaged in the selling of items of food or drink for consumption on the premises to allow a specified portion of a specified premises to be used by persons to play authorized card games.

(4) **Public card room employee.** The commission may issue a license to any person to perform duties in a public card room.

(5) **Commercial stimulant punchboards and pull tabs.** The commission may issue a license to a person operating a business primarily engaged in the selling of items of food or drink for consumption on the premises to operate punchboards and pull tabs upon specified premises.

(6) **Manufacturers and distributors of gambling equipment and paraphernalia.** The commission may issue a separate or combination license to the following:

(a) Manufacturers of punchboards, pull tabs, devices for the dispensing of pull tabs, bingo equipment, and other gambling equipment, supplies, and paraphernalia; and

(b) Distributors of punchboards, pull tabs, devices for the dispensing of pull tabs, bingo equipment, and any gambling equipment, supplies, or paraphernalia for use in connection with authorized activities.

(7) **Representatives of manufacturers or distributors.** The commission may issue a separate license to a representative of a manufacturer or distributor to engage in the sale and distribution of gambling equipment and paraphernalia.

(8) **Recreational gaming activity permit.** The commission may issue a permit to an organization that has been in existence for at least six months to conduct a recreational gaming activity as defined by WAC 230-02-505.

(9) **License expiration.** Each such license shall be valid for one year from the date that it is issued: *Provided*, That license expiration dates may be adjusted by commission staff to schedule workload. Organizations licensed for more than one activity may have all expiration dates adjusted to end on the same day. Whenever license expiration dates are adjusted under this provision, the required fee shall be prorated by the commission. The prorated fees shall be computed on a monthly basis (i.e., one-twelfth of the annual payment per month) and subtracted from the regular annual fee. A prorated fee will be based on the number of whole months remaining upon approval of a license. For purposes of computing fees under this section, any part of a month in which the activity is authorized to be operated shall be deemed to be a whole month. Any difference between the required fee which exceeds twenty dollars, shall be refunded to the applicant. Specific expiration dates are as follows:

(a) Licenses issued to conduct any authorized activity in connection with and upon the site of a qualified agricultural fair, qualified community-wide civic festival, qualified world's fair, or qualified civic center shall be valid only for the duration of the fair or festival, or, in the case of an activity at a civic center, for the seasons during which the civic center is operating and open to the public. In no event shall such license exceed one calendar year.

(b) A license issued to conduct a raffle in connection with a qualified agricultural fair, qualified community-wide civic festival or qualified world's fair shall be in effect from the date the license was issued through the conclusion of the fair or festival;

(c) A license issued to conduct a card tournament shall be valid only for the duration of the tournament, but in no event shall exceed ten consecutive days;

(d) A license issued to conduct a fund raising event shall be valid only for the place and time set forth in the application or otherwise approved by the commission. The number of events permitted under the license in any calendar year is subject to the limitations set out in RCW 9.46.0233 defining a fund raising event: *Provided*, That a fund raising event license shall allow an organization to have possession of gambling equipment authorized for use at a fund raising event for a period of one year beginning on the day of the event and to rent such for up to four occasions per year to other organizations licensed to operate fund raising events;

(e) A license issued to an individual shall be valid for a period of one year from the date of employment or issuance, whichever occurs first: *Provided*, a charitable or nonprofit gambling manager license shall expire as set out in WAC 230-04-145.

(10) If any licensee fails to submit a properly completed application and all applicable fees prior to the normal expiration date, the license shall expire and the operation of the applicable activity must immediately cease. When a license expires, a new application must then be submitted and a precicensing evaluation/investigation to the extent deemed necessary by the director will be completed prior to granting a license: *Provided*, That if a properly completed renewal application and fees are received at the commission headquarters office within the fourteen-day period following the expiration date, the commission may reinstate the license using normal renewal procedures. Reinstating a license under this provision does not, in any case, grant authority to operate the activity during the period between the normal expiration date and the date of reinstatement.

(11) The commission may allow an applicant renewing an annual license or applying for an additional license to pay the license fee in two payments under the following conditions:

(a) The license fee is at least one thousand two hundred dollars;

(b) The applicant pays an administrative processing fee as set forth in WAC 230-04-202 or 230-04-203, plus one-half of the annual license fee at the time of application or renewal;

(c) Licenses issued under the two-payment plan shall be issued with an expiration date as determined by subsection (9) of this section and a second-half payment due date. If the second-half payment is received on or before the due date, the license will remain in effect until the expiration date. If the licensee fails to submit the second-half payment prior to the due date, the license shall expire and all operations of the activity must stop; and

(d) Gross gambling receipts during the first-half payment period must not exceed fifty percent of the authorized class limitation for annual gross gambling receipts. Licensees whose gross gambling receipts exceed fifty percent of the authorized level shall be required to upgrade to the appropriate license class as required by WAC 230-04-260 and pay the full upgrade fee, plus an administrative processing fee, as set forth in WAC 230-04-202 and 230-04-203.

(12) **Conditions of license issuance.** All activities so licensed are licensed subject to compliance with all of the

applicable provisions of chapter 9.46 RCW, including any amendments thereto, all applicable rules and regulations passed by the commission, all other applicable laws of the United States, the state of Washington and all political subdivisions of the state of Washington which include but are not limited to the following:

- (a) Business licenses or permits;
- (b) Health certificates;
- (c) Fire inspections;
- (d) Use and occupancy permit; and
- (e) Liquor license or permit.

[Statutory Authority: RCW 9.46.070 and 9.46.116. 96-24-007 (Order 304), § 230-04-190, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070. 94-23-007, § 230-04-190, filed 11/3/94, effective 1/1/95. Statutory Authority: RCW 9.46.0331. 91-22-029 (Order 229), § 230-04-190, filed 10/29/91, effective 11/29/91. Statutory Authority: Chapter 9.46 RCW. 91-15-040 (Order 224), § 230-04-190, filed 7/17/91, effective 8/17/91. Statutory Authority: Chapter 34.05 RCW. 90-03-064 (Order 203), § 230-04-190, filed 1/18/90, effective 2/18/90. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-04-190, filed 11/27/89, effective 12/28/89. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-04-190, filed 4/18/89, effective 7/1/89. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-13-060 (Order 179), § 230-04-190, filed 6/14/88. Statutory Authority: RCW 9.46.070 (1), (2), (3), (4) and (14). 87-21-015 (Order 172), § 230-04-190, filed 10/9/87. Statutory Authority: RCW 9.46.020(23). 81-03-045 (Order 105), § 230-04-190, filed 1/16/81. Statutory Authority: RCW 9.46.070(16). 78-06-066 (Order 85), § 230-04-190, filed 5/25/78. Statutory Authority: RCW 9.46.070(10). 78-05-043 (Order 84), § 230-04-190, filed 4/21/78; Order 78, § 230-04-190, filed 11/17/77; Order 51, § 230-04-190, filed 4/30/76; Order 42, § 230-04-190, filed 9/18/75; Order 23, § 230-04-190, filed 9/23/74; Order 5, § 230-04-190, filed 12/19/73.]

WAC 230-04-191 Permits required for persons conducting bingo at agricultural fairs. Before bingo is conducted at an agricultural fair, by a person or persons other than members of the licensee, or employees or volunteers working solely for the licensee, the licensee shall obtain, in addition to its own license, the approval of the commission of, and a permit from the commission for, each such person to operate said games.

Permits shall be applied for by the licensee by fully completing and returning to the commission its application form entitled "application for permit to conduct activity at agricultural fair," together with the fee required for each permit. The licensee is responsible for the operation of each activity conducted under the authority of its license and any violation by any one of the operators of the licensed activities within the fair or any of the provisions of chapter 9.46 RCW, or any amendments thereto, or of the rules of this commission, shall be grounds for the suspension or revocation of both the license and any permits issued thereunder.

No activity for which a license is required shall be conducted other than by the licensee, its members or employees or volunteers working solely for the licensee without the required permit having been first obtained and being prominently displayed as required elsewhere in these rules.

Permits issued by the commission under this rule shall be for the duration of the fair but in no event shall exceed one calendar year.

[Order 53, § 230-04-191, filed 5/25/76; Order 23, § 230-04-191, filed 9/23/74.]

WAC 230-04-192 Person to hold one bingo license and one amusement game license at a time. No licensee shall hold more than one license to conduct bingo, nor more than one license to conduct amusement games. Each such license shall authorize the conduct of the activity only upon the premises shown on the license.

[Order 9, § 230-04-192, filed 12/19/73.]

WAC 230-04-193 Persons may obtain an annual permit to conduct bingo at agricultural fairs only. (1) An operator of bingo games may apply to the commission for a permit approving that operator to conduct bingo games at licensed agricultural fairs only. Such a permit shall be valid only when such games are conducted under an agreement with a fair holding a bingo license from the commission.

(2) It shall not be necessary for a licensed fair to obtain a permit on behalf of an operator under WAC 230-04-191 when the operator possesses a permit including the applicable event and location which has been obtained under this rule. However, the management of each agricultural fair licensee shall not be relieved from full and concurrent responsibility for the fair and lawful operation of bingo conducted under the authority of its license and any violation by any one of the permittees of any of the provisions of chapter 9.46 RCW, or any amendments thereto, or of the rules of the commission, shall be grounds for the suspension or revocation of the license.

(3) Applications for these annual permits shall be submitted by the operator upon the application forms provided by the commission, and accompanied by the required fee. All information required by the commission or its staff shall be submitted in accordance with the procedures and subject to the same conditions as an application for a license under these rules. A change in the information furnished to the commission shall be made known to the commission in writing by the owner or chief executive officer of the operator within ten days of the change.

(4) Persons holding these permits who have contracted with a licensee to operate bingo shall notify, in writing, the county sheriff of each county, or the chief of police of each city, in which he will operate these games, of the times and locations at which they will be operated not later than ten days prior to operating any such games in that jurisdiction. The employment records of the permittee shall be made available to such local law enforcement officers upon demand.

[Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-04-193, filed 6/15/84; Order 53, § 230-04-193, filed 5/25/76; Order 23, § 230-04-193, filed 9/23/74; Order 15, § 230-04-193, filed 4/17/74.]

WAC 230-04-194 Denial or revocation of annual operator permit for special locations—Grounds and effect. Permits granting approval obtained under WAC 230-04-191 or 230-04-193 may be denied or revoked by the commission for the same reasons as set forth under WAC 230-04-400. However, denial or revocation of such an annual permit shall not bar an application being submitted to the commission by a licensee on behalf of that operator for the commission's approval of, and permit for, the operator to conduct bingo at a particular event under WAC 230-04-

191. The commission will again consider its reasons for denying or revoking the annual permit at the time it considers a subsequent application on behalf of that operator to conduct bingo games at a particular agricultural fair or other location.

[Order 53, § 230-04-194, filed 5/25/76; Order 23, § 230-04-194, filed 9/23/74; Order 21, § 230-04-194, filed 8/20/74; Order 15, § 230-04-194, filed 4/17/74.]

WAC 230-04-196 The commission may issue Class A or B bingo operator's licenses authorizing the conduct of the games at up to three separate locations. The commission may issue Class A and B licenses to operate bingo games at up to three specific separate locations to a qualified organization.

[Order 35, § 230-04-196, filed 3/14/75.]

WAC 230-04-202 Fees—Bona fide charitable/nonprofit organizations. Bona fide charitable and nonprofit organizations shall submit the following fees to the commission when applying for gambling licenses, permits, miscellaneous changes, inspection services, or when assessed the cost of special investigation procedures by the commission:

LICENSE TYPE	DEFINITION	SEE
1. AMUSEMENT GAMES (Fee based on annual gross gambling receipts)		
* Class A	Premises only	\$ 52
Class B	Up to \$10,000	\$ 52
Class C	Up to \$25,000	\$ 276
Class D	Up to \$50,000	\$ 443
Class E	Over \$50,000	\$ 772
* Allows a charitable or nonprofit organization to enter into a contract with Class "B" or above commercial amusement game licensee to locate and operate amusement games on their premises.		
2. BINGO		
GROUP	(Fee based on annual gross gambling receipts)	
Class A	Up to \$ 15,000	\$ 52
Class B	Up to \$ 50,000	\$ 161
Class C	Up to \$ 100,000	\$ 329
Class D	Up to \$ 250,000	\$ 886
Class E	Up to \$ 500,000	\$ 1,492
Class F	Up to \$1,000,000	\$ 2,996
Class G	Up to \$1,500,000	\$ 4,324
Class H	Up to \$2,000,000	\$ 5,776
Class I	Up to \$2,500,000	\$ 7,216
Class J	Up to \$3,000,000	\$ 8,658
Class K	Up to \$3,500,000	\$ 9,712
Class L	Up to \$4,000,000	\$ 11,102
Class M	Over \$4,000,000	\$ 12,492
[and above]		
3. CARD GAMES		
Class A	General (Fee to play charged)	\$ 553
Class B	Limited card games - hearts, rummy, mahjongg, pitch, pinochle, and cribbage (Fee to play charged)	\$ 161
Class C	Tournament only - no more than ten consecutive days per tournament	\$ 52
Class D	General (No fee to play charged)	\$ 52

4. FUND-RAISING EVENT

Class A	One event - not more than 24 consecutive hours	\$ 329
Class B	One event - not more than 72 consecutive hours	\$ 553
Class C	Additional participant in joint event (not lead organization)	\$ 161
Class D	Fund-Raising Event Equipment Distributor - rents or leases, equipment for fund-raising event or recreational gaming activity for no more than ten times per year*	\$ 219
Class E	Fund-Raising Event Equipment Distributor - rents or leases equipment for fund-raising event or recreational gaming activity more than ten times per year.	\$ 553

* Charitable and nonprofit organizations licensed to conduct fund-raising events may rent their equipment up to four occasions during the term of the license without getting licensed as a distributor.

5. PUNCHBOARDS/
PULL TABS

	(Fee based on annual gross gambling receipts)		VARIANCE[*]
Class A	Up to \$ 50,000	\$ 5,000	\$ 527
Class B	Up to \$ 100,000	\$ 5,000	\$ 940
Class C	Up to \$ 200,000	\$10,000	\$ 1,774
Class D	Up to \$ 300,000	\$10,000	\$ 2,578
Class E	Up to \$ 400,000	\$10,000	\$ 3,330
Class F	Up to \$ 500,000	\$10,000	\$ 4,020
Class G	Up to \$ 600,000	\$10,000	\$ 4,658
Class H	Up to \$ 700,000	\$10,000	\$ 5,242
Class I	Up to \$ 800,000	\$10,000	\$ 5,776
Class J	Up to \$1,000,000	\$20,000	\$ 6,548
Class K	Up to \$1,250,000	\$25,000	\$ 7,268
Class L	Up to \$1,500,000	\$25,000	\$ 7,938
Class M	Up to \$1,750,000	\$25,000	\$ 8,490
Class N	Up to \$2,000,000	\$25,000	\$ 8,992
Class O	Over \$2,000,000	Nonapplicable	\$ 9,880

* A licensee will be allowed a one-time variance for each license class without having to upgrade or pay the penalties set forth in WAC 230-04-260: *Provided*, That a licensee utilizing the variance shall be required to upgrade to the higher license class upon renewal.

6. RAFFLES

(Fee based on annual gross gambling receipts)

Class A	Up to \$ 5,000	\$ 52
Class B	Up to \$10,000	\$ 161
Class C	Up to \$25,000	\$ 329
Class D	Up to \$50,000	\$ 553
Class E	Up to \$75,000	\$ 886
Class F	Over \$75,000	\$ 1,326

7. COMBINATION LICENSE

CLASS A	Allows gross gambling receipts of up to \$25,000 from bingo, \$7,500 from raffles, and \$7,500 from amusement games, not to exceed \$30,000 combined gross gambling receipts from all such activities. Allows general card games where no fee to play is charged.	\$ 100
CLASS B	Allows gross gambling receipts of up to \$60,000 from bingo, \$15,000 from raffles, and \$15,000 from amusement games, not to exceed \$75,000 combined gross gambling receipts from all such activities. Allows general card games where no fee to play is charged.	\$ 260
CLASS C	Allows gross gambling receipts of up to \$125,000 from bingo, \$30,000 from raffles, and \$30,000 from amusement games, not to exceed \$150,000 combined gross gambling	

receipts from all such activities. Allows general card games where no fee to play is charged. \$ 600

8. SEPARATE PREMISES

BINGO	Per occasion (see WAC 230-04-300)	\$ 26
-------	-----------------------------------	-------

9. PERMITS

AGRICULTURAL FAIR-BINGO	(See WAC 230-04-191)	\$ 26
RECREATIONAL GAMING ACTIVITY (RGA)	(See WAC 230-25-330 and 230-02-505)	\$ 52

10. CHANGES

NAME	(See WAC 230-04-310)	\$ 26
LOCATION	(See WAC 230-04-320)	\$ 26
FRE	(Date or time) (See WAC 230-04-325)	\$ 26
LICENSE CLASS	(See WAC 230-04-260)	\$ 26
DUPLICATE LICENSE	(See WAC 230-04-290)	\$ 26

11. SPECIAL FEES

INVESTIGATION	(See WAC 230-04-240)	As required
REPLACEMENT IDENTIFICATION STAMPS	(See WAC 230-30-016)	\$ 26
EXCEEDING LICENSE CLASS	(See WAC 230-04-260)	As required
REVIEW, INSPECTION AND/OR EVALUATION OF EQUIPMENT, PARAPHERNALIA, SERVICES, OR SCHEMES	(See WAC 230-08-017)	As required

12. SIX-MONTH PAYMENT PLAN	(See WAC 230-04-190)	\$ 26
----------------------------	----------------------	-------

[Statutory Authority: RCW 9.46.070 and 9.46.116. 96-24-007 (Order 304), § 230-04-202, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070. 95-02-003 and 94-23-093 (Order 260), § 230-04-202, filed 12/22/94 and 11/17/94, effective 1/22/95 and 1/1/95.]

Reviser's note: RCW 34.05.395 requires the use of underlining and deletion marks to indicate amendments to existing rules, and deems ineffectual changes not filed by the agency in this manner. The bracketed material in the above section does not appear to conform to the statutory requirement.

WAC 230-04-203 Fees—Commercial stimulant and other business organizations. All persons seeking to operate gambling activities at business locations shall submit the following fees to the commission when applying for gambling licenses, permits, miscellaneous changes, inspection services, or when assessed the cost of special investigation procedures by the commission:

LICENSE TYPE	DEFINITION	FEE
1. CARD GAMES		
Class B	Limited card games - hearts, rummy, pitch, pinochle, mahjonn, and/or cribbage (Fee to play charged)	\$ 161
Class C	Tournament only, no more than ten consecutive days per tournament.	\$ 161
Class D	General (No fee to play charged)	\$ 52

Class E	General (Fee to play charged)	
E-1	One table only	\$ 386
E-2	Up to two tables	\$ 663
E-3	Up to three tables	\$1,106
E-4	Up to four tables	\$2,214
E-5	Up to five tables	\$3,330

2. COMMERCIAL AMUSEMENT [GAMES] (Fee based on annual gross gambling receipts)

* Class A	Premises only	[**] \$276/\$126
Class B	Up to \$ 50,000	\$ 386
Class C	Up to \$ 100,000	\$ 992
Class D	Up to \$ 250,000	\$2,214
Class E	Up to \$ 500,000	\$3,884
Class F	Up to \$1,000,000	\$6,662
Class G	Over \$1,000,000	\$8,334

* Allows a business that is qualified under WAC 230-04-138 (1)(f), (g), (h), (i), or (j) to enter into a contract with a class "B" or above commercial amusement game licensee to locate and operate amusement games upon their premises.

** Provides for a fee reduction of \$150 when: Renewing an annual license; applying for an additional license(s) at the same premises; and/or applying for multiple licenses at the same premises.

3. PUNCHBOARDS/ PULL TABS (Fee based on annual gross gambling receipts)

		VARIANCE*	
Class A	Up to \$50,000	\$ 5,000	\$ 527
Class B	Up to \$100,000	\$ 5,000	\$ 940
Class C	Up to \$200,000	\$10,000	\$1,774
Class D	Up to \$300,000	\$10,000	\$2,578
Class E	Up to \$400,000	\$10,000	\$3,330
Class F	Up to \$500,000	\$10,000	\$4,020
Class G	Up to \$600,000	\$10,000	\$4,658
Class H	Up to \$700,000	\$10,000	\$5,242
Class I	Up to \$800,000	\$10,000	\$5,776
Class J	Up to \$1,000,000	\$20,000	\$6,548
Class K	Up to \$1,250,000	\$25,000	\$7,268
Class L	Up to \$1,500,000	\$25,000	\$7,938
Class M	Up to \$1,750,000	\$25,000	\$8,490
Class N	Up to \$2,000,000	\$25,000	\$8,992
Class O	Over \$2,000,000	Nonapplicable	\$9,880

* A licensee will be allowed a one-time variance for each license class without having to upgrade or pay the penalties set forth in WAC 230-04-260: *Provided*, That a licensee utilizing the variance shall be required to upgrade to the higher license class upon renewal.

4. DISTRIBUTOR (Fee based on annual gross sales of gambling related supplies and equipment)

(a) Class A	Nonpunchboard/pull tab only	\$ 553
Class B	Up to \$ 250,000	\$1,106
Class C	Up to \$ 500,000	\$1,660
Class D	Up to \$1,000,000	\$2,214
Class E	Up to \$2,500,000	\$2,882
Class F	Over \$2,500,000	\$3,550

In addition to the annual fee, the commission will assess all applicants the actual costs incurred in conducting the investigation and inspection necessary for initial certification.

(b) FUND-RAISING EVENT EQUIPMENT DISTRIBUTOR

Class A	Rents or leases equipment for fund-raising event or recreational gaming activity up to 10 times per year.	\$219
Class B	Rents or leases equipment for fund-raising event or recreational gaming activity more than 10 times per year.	\$553

5. MANUFACTURER (Fee based on annual gross sales of gambling related supplies and equipment)

Class A	Machines only	\$ 553
Class B	Up to \$ 250,000	\$1,106
Class C	Up to \$ 500,000	\$1,660
Class D	Up to \$1,000,000	\$2,214
Class E	Up to \$2,500,000	\$2,882
Class F	Over \$2,500,000	\$3,550

In addition to the annual fee, the commission will assess all applicants the actual costs incurred in conducting the investigation and inspection necessary for initial certification, quality control inspection for additional activities or product lines, and renewal of licenses when travel cost is incurred to complete the investigation.

6. PERMITS

AGRICULTURAL FAIR/
SPECIAL PROPERTY
BINGO

Class A	One location and event only (See WAC 230-04-191)	\$ 26
Class B	Annual permit for specified different events and locations (See WAC 230-04-193)	\$161

RECREATIONAL
GAMING ACTIVITY
(RGA)

(See WAC 230-02-505 and 230-25-330)

\$ 52

7. CHANGES

NAME	(See WAC 230-04-310)	\$26
LOCATION	(See WAC 230-04-320)	\$26
BUSINESS CLASSIFICATION	(Same owners)	\$52
LICENSE CLASS	(See WAC 230-04-340)	
	(See WAC 230-04-260)	
	New class fee, less previous fee paid, plus	\$26
DUPLICATE LICENSE	(See WAC 230-04-290)	\$26
OWNERSHIP OF STOCK	(See WAC 230-04-340)	\$52
LICENSE TRANSFERS	(See WAC 230-04-125, 230-04-340, and 230-04-350)	\$52

8. SPECIAL FEES

INVESTIGATION IDENTIFICATION AND INSPECTION SERVICES STAMPS	(See WAC 230-04-240)	As required
QUALITY CONTROL INSPECTION FEES	(See WAC 230-08-017)	As required
REPLACEMENT OF IDENTIFICATION STAMPS	(See WAC 230-30-030)	As required
EXCEEDING LICENSE CLASS	(See WAC 230-30-016)	\$26
REVIEW, INSPECTION AND/OR EVALUATION OF EQUIPMENT, PARAPHERNALIA, SERVICES, OR SCHEMES	(See WAC 230-04-260)	As required
SPECIAL SALES PERMITS	(See WAC 230-08-017)	As required
	(See WAC 230-04-115)	As required

9. SIX-MONTH PAYMENT PLAN (See WAC 230-04-190) \$26

[Statutory Authority: RCW 9.46.070 and 9.46.116. 96-24-007 (Order 304), § 230-04-203, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070. 95-12-052, § 230-04-203, filed 6/2/95, effective 7/3/95; 95-02-003 and 94-23-007, § 230-04-203, filed 12/22/94 and 11/3/94, effective 1/22/95 and 1/1/95.]

Reviser's note: RCW 34.05.395 requires the use of underlining and deletion marks to indicate amendments to existing rules, and deems ineffectual changes not filed by the agency in this manner. The bracketed material in the above section does not appear to conform to the statutory requirement.

WAC 230-04-204 Fees—Individuals. Individuals shall submit the following fees to the commission when applying for gambling licenses, permits, miscellaneous changes, or when assessed the cost of special investigation procedures by the commission:

LICENSE TYPE	DEFINITION	FEE
1. CHARITABLE OR NONPROFIT GAMBLING MANAGER		
	Original	\$161
	Renewal	\$78
	Change of Employer	\$78
2. COMMERCIAL GAMBLING MANAGER		
	Original	\$161
	Renewal	\$78
	Change of Employer	\$78
3. DISTRIBUTOR'S REPRESENTATIVE		
	Original	\$219
	Renewal	\$135
	Change of Employer	\$52
4. MANUFACTURER'S REPRESENTATIVE		
	Original	\$219
	Renewal	\$135
5. PUBLIC CARD ROOM EMPLOYEE		
	Original	\$161
	Renewal	\$78
6. OTHER FEES		
CHANGE OF NAME	(See WAC 230-04-310)	\$26
DUPLICATE LICENSE	(See WAC 230-04-290)	\$26
REPLACEMENT		
OUT-OF-STATE RECORDS INQUIRY	(See WAC 230-04-240)	As required

[Statutory Authority: RCW 9.46.070 and 9.46.116. 96-24-007 (Order 304), § 230-04-204, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070. 96-09-070, § 230-04-204, filed 4/16/96, effective 7/1/96; 94-23-007, § 230-04-204, filed 11/3/94, effective 1/1/95.]

WAC 230-04-210 Withdrawal of application. An application for any license may be withdrawn by the applicant by submitting to the commission a written notice of withdrawal of the application. To be effective, such written notices must be actually received in the office of the commission in Olympia by 5:00 p.m. the day prior to issuance or denial of the license by the commission or its delegate.

The fact that an application for a license has previously been withdrawn shall not prejudice any future application for a license from the commission.

[Order 5, § 230-04-210, filed 12/19/73.]

WAC 230-04-220 Prorating and refunding of fees.

(1) Unless otherwise provided by law, there will be no prorating or refunding of any license fee subsequent to issuance of a license or permit for the following actions:

- Discontinuation of business;
- Voluntary surrender of a license or permit; and
- When a license or permit has been suspended, revoked, or otherwise canceled.

(2) Upon denial, voluntary withdrawal or administrative closure of an application for license, adoption or change of trade name, or change of location[,]; the commission shall retain that portion of the fee tendered therewith as is necessary to offset its costs of processing and investigating the application: *Provided*, That the commission shall retain the entire fee when an individual license applicant performs any or all portions of the duties for which a permanent license is sought.

[Statutory Authority: RCW 9.46.070 and 9.46.116. 96-24-007 (Order 304), § 230-04-220, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070. 92-22-058, § 230-04-220, filed 10/29/92, effective 11/29/92; Order 51, § 230-04-220, filed 4/30/76; Order 46, § 230-04-220, filed 2/13/76; Order 5, § 230-04-220, filed 12/19/73.]

Reviser's note: RCW 34.05.395 requires the use of underlining and deletion marks to indicate amendments to existing rules, and deems ineffectual changes not filed by the agency in this manner. The bracketed material in the above section does not appear to conform to the statutory requirement.

WAC 230-04-230 Intentionally understating anticipated revenue—Prohibited. It shall constitute grounds for revocation or suspension of a license if any applicant intentionally understates the anticipated gross or net receipts from a licensed activity for any purpose.

[Statutory Authority: RCW 9.46.020 (20)(d), 9.46.050(3) and 9.46.070 (1), (2), (5), (8), (9), (11) and (12). 85-03-026 (Order 144), § 230-04-230, filed 1/9/85. Statutory Authority: RCW 9.46.070 (5), (6), (8), (10), and (11). 84-01-026 (Order 139), § 230-04-230, filed 12/12/83; Order 42, § 230-04-230, filed 9/18/75; Order 5, § 230-04-230, filed 12/19/73.]

WAC 230-04-240 Special investigation fee. In addition to the basic license or permit fees, the commission may require payment of such additional license fees as are necessary to defray the costs of background investigations of applicants for whom adequate background information sources are not readily available, including, but not limited to, applicants who have not resided in the state of Washington for at least one year. The commission may require payment of the estimated additional license fee in advance as a condition precedent to beginning the investigation.

The commission shall notify the applicant as soon as possible after it makes the determination that such additional fee is necessary and shall further notify the applicant of the commission's best estimate of what such additional license fee will be: *Provided*, That such estimate shall not be binding upon the commission. Any applicant may then withdraw his application if he so chooses, as provided under WAC 230-04-210 and 230-04-220.

[Order 5, § 230-04-240, filed 12/19/73.]

WAC 230-04-255 Director may issue temporary licenses not to exceed sixty days. The director may issue a temporary license by the commission upon the administrative approval of the application for a license to conduct such activity for a period not to exceed sixty days. If the application is approved by the commission during the sixty day period, such temporary license will be replaced with the issuance of a license to expire one year from the date of the temporary license issued by the director under this provision.

[Order 12, § 230-04-255, filed 2/14/74.]

WAC 230-04-260 Effect of exceeding license class income limit. (1) A licensee shall not exceed the class limit on annual gross or net receipts from the licensed activity.

(2) When it is apparent that any licensee's class limit of annual gross or net receipts from licensed activity will be exceeded, the licensee shall immediately notify the commission and shall apply for the license class which is proper, submitting the basic fee required for the upgrade class less the amount originally submitted for the previous license, plus a change of classification fee required by WAC 230-04-202 and/or 230-04-203.

Any such additional license issued by the commission shall be valid only for the period which remains in the term of the previous license at the time such additional license is issued: Provided, that if the commission assigns a license class, or if a licensee voluntarily upgrades their license to comply with this subsection, and in either case operates at a level lower than the class assigned or requested, then the licensee shall be allowed to apply for a refund. The amount of refund shall be the difference between the fee for the licensed class.

(3) Any licensee failing to comply with the requirements set forth in paragraph (2) above and exceeds the license class limit within a present or previous license year, may be assessed an exceeding class fee not to exceed 50% of the difference between the present class fee and the new license class or \$1,000, whichever is less. Upon written notice by the commission assessing an exceeding class fee, a licensee shall remit the proper fee plus all upgrade fees within 20 days. Failure to remit such fees may result in a summary suspension of all licenses held by the licensee pending a hearing for the suspension or revocation of such licenses.

[Statutory Authority: Chapter 9.46 RCW. 94-24-056 (Order 262), § 230-04-260, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070(14). 88-15-019 (Order 181), § 230-04-260, filed 7/11/88. Statutory Authority: RCW 9.46.070 (5), (6), (8), (10), and (11). 84-01-026 (Order 139), § 230-04-260, filed 12/12/83. Statutory Authority: RCW 9.46.070 (5) and (9). 80-03-060 (Order 99), § 230-04-260, filed 2/25/80; Order 42, § 230-04-260, filed 9/18/75; Order 5, § 230-04-260, filed 12/19/73.]

WAC 230-04-270 Bad checks submitted as payment of fees. The payment of a license fee by a check, which for any reason is not promptly paid by the drawee bank, shall be grounds for immediate administrative closure of a new application, voiding of a temporary license, or revocation of a continuing license. If an application or license is administratively closed, voided or revoked under this section, a new application must be submitted with fees payable only by

certified check, money order, or cash. Upon notification that a check is not negotiable or when a check must be resubmitted for payment for any reason, the commission shall:

(1) Add a processing fee of fifteen dollars to the required license fee; and

(2) Notify the applicant by phone or in writing that payment in full, by certified check, money order, or cash, must be remitted within five days of the notification date. If the proper fee is not received within five days, the commission will proceed with appropriate administrative action.

[Statutory Authority: Chapter 34.05 RCW. 90-03-064 (Order 203), § 230-04-270, filed 1/18/90, effective 2/18/90; Order 5, § 230-04-270, filed 12/19/73.]

WAC 230-04-280 Notification to law enforcement.

Each licensee for the operation of an authorized gambling activity, within ten days after issuance of the license and before initially conducting any activity under the license, shall notify, in writing, the law enforcement agencies set forth below of the name and address of the licensee, the address where the activity will be conducted, the type of activity licensed, the date the activity shall first be conducted, and if the activity is planned to be conducted on a regular basis, the proposed schedule for the operation of the activity.

When the activity is to be conducted within a city or town, the local police agency shall be notified, and when the activity is to be conducted within a county, then the sheriff's office shall be notified.

No activity shall be initially conducted until such notification has been made.

[Order 5, § 230-04-280, filed 12/19/73.]

WAC 230-04-290 Loss or destruction of licenses or permits. Upon the loss or destruction of any license or permit granted by the commission to conduct gambling activities in the state of Washington, application for a duplicate copy of the license or permit must be made to the commission upon a form to be supplied by the commission. Such application shall include an affidavit signed by the licensee, chief executive officer of a corporation, or by each of the owners of a profit making business which details the circumstances under which the license was lost or destroyed. The fee for replacement of a license shall be as required by WAC 230-04-202, 230-04-203, and/or 230-04-204.

[Statutory Authority: Chapter 9.46 RCW. 94-24-056 (Order 262), § 230-04-290, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-04-290, filed 6/15/84. Statutory Authority: RCW 9.46.070(13). 78-06-066 (Order 85), § 230-04-290, filed 5/25/78; Order 5, § 230-04-290, filed 12/19/73.]

WAC 230-04-300 One annual change of premises allowed for bingo. A bona fide charitable or nonprofit organization, except agricultural fairs, which has obtained an annual license from the commission to conduct bingo games upon a specified premise may, not more often than once during each annual period for which it is licensed, make written application to the commission for permission to conduct bingo, not to exceed three consecutive days, and not

to exceed sixteen consecutive hours each day, at a location other than is authorized under its license.

Such application may be by letter, signed by the chief executive officer of the organization. The letter shall set out the name and address of the location upon which the bingo occasion would be conducted, the desired inclusive dates, the names and addresses of all persons who have an interest of any kind in those premises, the amount of rent, if any, that would be paid for the use of the premises, the basis upon which that rent was computed, and a detailed explanation of why the change of location is being requested.

The application shall be made not less than fifteen calendar days prior to the date of the bingo occasion, and shall be accompanied by the required fee.

If the commission approves, the applicant will be notified by mail and provided with a permit for the event by the commission. The permit shall be prominently displayed upon the premises during the event.

[Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-04-300, filed 6/15/84; Order 29, § 230-04-300, filed 1/23/75; Order 5, § 230-04-300, filed 12/19/73.]

WAC 230-04-310 Change of name. No licensee shall adopt or make a change in his or her given name or a trade or corporate name without notifying the commission at least thirty days prior to the effective date of such change. Each such change shall be made subject to the approval of the commission. The fee for such adoption or change of name shall be as required by WAC 230-04-202, 230-04-203, and/or 230-04-204.

[Statutory Authority: Chapter 9.46 RCW. 94-24-056 (Order 262), § 230-04-310, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-04-310, filed 6/15/84. Statutory Authority: RCW 9.46.070(13). 78-06-066 (Order 85), § 230-04-310, filed 5/25/78; Order 5, § 230-04-310, filed 12/19/73.]

WAC 230-04-315 Change of schedule. No bingo licensee shall change the days and times of operation of the gambling activity from those indicated on the application or otherwise filed with the commission without first notifying the commission in writing at least 10 days prior to the planned change. This notification shall be deemed properly submitted when it has been delivered to the commission office: *Provided*, That this rule shall not apply to changes in the schedule for holidays or changes caused by inclement weather or emergencies affecting the health and safety of the public.

[Statutory Authority: RCW 9.46.070 (1), (4), (5), (6), (7), (11), (14) and (17) and 9.46.310. 85-01-065 (Order 145), § 230-04-315, filed 12/18/84.]

WAC 230-04-320 Change of location. No change of location of licensed premises shall be made without the written consent of the commission. The fee for such change will be as required by WAC 230-04-202 or 230-04-203: *Provided*, That persons operating amusement games under a commercial amusement game license issued pursuant to WAC 230-04-135 (2)(c) shall pay no fee for adding to or deleting from the list of locations for which that license was issued.

[Statutory Authority: Chapter 9.46 RCW. 94-24-056 (Order 262), § 230-04-320, filed 12/5/94, effective 1/5/95; 91-21-053 (Order 228), § 230-04-320, filed 10/15/91, effective 11/15/91. Statutory Authority: RCW

[Title 230 WAC—page 34]

9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-04-320, filed 6/15/84; Order 60, § 230-04-320, filed 9/10/76; Order 21, § 230-04-320, filed 8/20/74; Order 5, § 230-04-320, filed 12/19/73.]

WAC 230-04-325 Cancellation, change of time, date, or location of fund raising event. A cancellation or a change in time, date, and/or location of a fund raising event as defined in RCW 9.46.020 requires:

(1) For cancellation, the licensee shall notify the commission and the appropriate law enforcement agency in advance of the date upon which the event is scheduled.

(2) For change of time, date, or location, the licensee shall:

(a) Give at least ten days written notice to the commission in advance of the new time, date, or location change, together with a signed statement from the chief executive officer that the appropriate law enforcement agency has been notified of the change;

(b) Pay a fee as required by WAC 230-04-202 to the commission for each such time, date, or location change.

(3) For a cancellation or change in time, date, and/or location, the license authorizing the event for the specific time, date, or location shall be returned to the commission.

[Statutory Authority: Chapter 9.46 RCW. 94-24-056 (Order 262), § 230-04-325, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.020 (20)(d), 9.46.050(3) and 9.46.070 (1), (2), (5), (8), (9), (11) and (12). 85-03-026 (Order 144), § 230-04-325, filed 1/9/85. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-04-325, filed 6/15/84. Statutory Authority: RCW 9.46.070 (5), (14) and 9.46.020(23). 81-19-073 (Order 112), § 230-04-325, filed 9/15/81.]

WAC 230-04-330 Change of management. No licensee shall make, or allow, a change in the management, directors, officers, or any other person holding a position with that licensee wherein he makes any management decision directly affecting the operation of any licensed gambling activity without notifying the commission in writing not more than thirty days following such change: *Provided*, That with respect to bona fide charitable or bona fide nonprofit organizations only, notice need not be given of change in officers until the required renewal date(s) for a particular license(s), or an additional license is applied for, whichever is sooner.

Each such change is subject to the approval of the commission.

Together with a notice of such change, the commission shall be supplied with all of the information which, by law or under the rules of the commission, would have been required to be supplied to the commission respecting such director or officer, or other person in a managerial position, with the licensee had he been in such capacity at the time the application for the license was originally submitted to the commission.

[Order 67, § 230-04-330, filed 3/11/77; Order 40, § 230-04-330, filed 6/26/75; Order 5, § 230-04-330, filed 12/19/73.]

WAC 230-04-340 Transfer of licenses—Conditions. Transfers of licenses issued by the commission shall be permitted only under the following circumstances and conditions and those set out in WAC 230-04-350, upon approval by the director or the commission. Otherwise, no

transfer of any license issued by the commission shall be permitted.

(1) If the licensee is a corporation, except as provided in subsection (2) below, a change in ownership of stock shall not be deemed a transfer of a license: *Provided*, That any change in the ownership of any stock in such corporation which results in any person or organization becoming the owner of a substantial interest therein who was not the owner of a substantial interest immediately preceding the transaction, or which involves ten percent or more of any class of stock, shall be reported to the commission, in writing, within ten days of the close of such transaction, together with such information concerning the person or persons receiving such stock as the director may require.

(2) Where a change in the ownership of the stock of any corporate licensee results in any person, together with any members of his or her immediate family, or results in any organization, becoming the owner of a majority of the voting shares of that corporation who or which had not held a substantial interest in the corporation immediately prior to the change in ownership, gambling licenses held by that corporation shall immediately terminate and be void. In such cases a new license must be obtained from the commission prior to the operation of any gambling activity requiring a license.

(3) Licenses issued to other than bona fide charitable or bona fide nonprofit organizations may be transferred to a business entity wholly owned by the same person or persons who owned the business entity to which the license was originally issued, or by their spouses or children under the age of eighteen and residing at the family home or by others possessing less than a substantial interest in the business to which the license transfer is sought, but only when the licensed activity will be conducted on the same premises as that for which the license was issued.

(4) Transfers will not be permitted when any person owning or holding a substantial interest in any of the entities to which transfer is sought is not qualified to hold a gambling license.

(5) The license or licenses of any corporation in which a person holds or acquires a substantial interest will be revoked when such person is not qualified to hold a gambling license.

(6) The fee for transfer of the license under this rule shall be as required by WAC 230-04-202.

[Statutory Authority: Chapter 9.46 RCW. 94-24-056 (Order 262), § 230-04-340, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-04-340, filed 6/15/84. Statutory Authority: RCW 9.46.030 (2) and (3) and 9.46.070 (11) and (14). 83-19-024 (Order 136), § 230-04-340, filed 9/13/83; Order 68, § 230-04-340, filed 4/25/77; Order 40, § 230-04-340, filed 6/26/75; Order 5, § 230-04-340, filed 12/19/73.]

WAC 230-04-350 Death or incapacity of licensee.

In the event of the proven incapacity, death, receivership, bankruptcy or assignment for benefit of creditors of any licensee, upon approval of the director or commission the license may be transferred to a court appointed or court confirmed guardian, executor or administrator, receiver, trustee, or assignee for the benefit of creditors, who may continue to operate the activity under the license, subject to

the provisions of chapter 9.46 RCW and the commission's rules.

The person to whom a license is transferred hereunder must be otherwise qualified to hold a gambling license.

The license following transfer shall be subject to regular renewal based upon its original expiration date and shall be void upon that person ceasing to hold such a court appointed, or court confirmed, position.

The fee for transfer of the license under this rule shall be as required by WAC 230-04-202 or 230-04-203.

[Statutory Authority: Chapter 9.46 RCW. 94-24-056 (Order 262), § 230-04-350, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-04-350, filed 6/15/84; Order 68, § 230-04-350, filed 4/25/77; Order 5, § 230-04-350, filed 12/19/73.]

WAC 230-04-400 Denial, suspension or revocation of licenses. The commission may deny a license or permit to any applicant, or may suspend or revoke any and all licenses or permits of any holder, when the applicant or holder, or any other person with any interest in the applicant or holder:

(1) Commits any act that constitutes grounds under RCW 9.46.075 for denying, suspending, or revoking licenses or permits;

(2) Has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to, any form of criminal assault, any crime involving a threat of physical harm against another person, or any crime involving an intention to inflict physical harm on another person, whether any of these crimes is a misdemeanor or felony;

(3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level. This includes, but is not limited to, failure to make required gambling tax payments to local taxing authorities, as supported by a petition submitted by the local taxing authority;

(4) Is serving a period of probation or community supervision imposed as a sentence for any criminal offense, whether juvenile, misdemeanor, or felony, and whether or not the offense is covered under RCW 9.46.075(4): *Provided*, That each case will be individually analyzed to determine the extent to which the probationary or supervisory status affects the person's qualifications to hold a license or permit;

(5) Is the subject of an outstanding gross misdemeanor or felony arrest warrant;

(6) Poses a threat to the effective regulation of gaming or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of gaming activities, as demonstrated through the person's prior activities, criminal record, reputation, habits, or associations;

(7) When other than a charitable or nonprofit organization operates punchboards or pull tabs, or operates or allows card games at any time other than as a commercial stimulant;

(8) Fails to provide at the office of the commission any information required under the commission's rules within the time required therefor by applicable rule, or if no maximum time has been established respecting the particular kind of information by other rule then within thirty days after

receiving a written request therefor from the commission or its staff;

(9) Allows any person to participate in the management or operation of any activity regulated by the commission without prior written approval of the commission or its director when that person:

(a) Has been convicted of, pleaded guilty to, or forfeited bond upon any of the offenses set out in RCW 9.46.075(4);

(b) Has violated any other provisions of chapter 9.46 RCW or Title 230 WAC; or

(c) Would otherwise be subject to denial or revocation under the provisions of this section.

(10) If a supplier, manufacturer, financier, or management company knowingly provides or provided goods or services to an entity that is illegally operating gambling activities or was illegally operating gambling activities at the time such goods or services were provided; and

(11) Commits any other act that the commission determines constitutes a sufficient reason in the public interest for denying, suspending, or revoking licenses or permits.

[Statutory Authority: RCW 9.46.070. 95-17-065, § 230-04-400, filed 8/15/95, effective 9/15/95. Statutory Authority: RCW 9.46.075. 93-12-082, § 230-04-400, filed 5/28/93, effective 7/1/93; Order 51, § 230-04-400, filed 4/30/76; Order 45, § 230-04-400, filed 12/30/75; Order 42, § 230-04-400, filed 9/18/75; Order 33, § 230-04-400, filed 2/21/75; Order 23, § 230-04-400, filed 9/23/74; Order 14, § 230-04-400, filed 3/27/74; Order 12, § 230-04-400, filed 2/14/74; Order 5, § 230-04-400, filed 12/19/73.]

WAC 230-04-405 Commission will seek reimbursement for costs incurred in pursuing license revocation for failure to pay gambling taxes. Pursuant to WAC 230-04-400(3), upon referral from a local taxing authority, the commission may initiate license revocation actions for failure to pay gambling taxes. The commission will seek reimbursement for costs incurred in pursuing these gambling tax actions from the delinquent licensee.

[Statutory Authority: RCW 9.46.070. 95-13-031, § 230-04-405, filed 6/13/95, effective 7/14/95.]

WAC 230-04-410 Return of license suspended or revoked. Upon suspension or revocation of any license issued by the commission, the licensee shall immediately surrender and return the license to the commission. If such license is not received by the commission by the effective date of such suspension or revocation, the authorized representatives of the commission may enter the premises of the licensee and may enter the premises for which the license is issued for the purpose of retrieving said license: *Provided*, That the commission has notified the licensee in writing of the suspension or revocation of the license not less than five days prior to any such attempt to enter such premises to recover the license.

[Order 33, § 230-04-410, filed 2/21/75; Order 5, § 230-04-410, filed 12/19/73.]

WAC 230-04-450 Display of licenses. All licenses or permits granted by the commission shall be prominently displayed at all times upon the licensed premises in such position as they may be observed by persons participating in gambling activities on the licensed premises, except as may otherwise be provided by these rules.

[Title 230 WAC—page 36]

If a licensed employee works in similar employment for one or more additional employers than the employer upon whose premises the original license is displayed, the employee may obtain from the commission such copy or copies of his or her license as may be necessary for display upon the premises of such additional employer.

[Statutory Authority: RCW 9.46.070(7). 79-09-029 (Order 91), § 230-04-450, filed 8/14/79. Statutory Authority: RCW 9.46.070(13). 78-06-066 (Order 85), § 230-04-450, filed 5/25/78; Order 5, § 230-04-450, filed 12/19/73.]

WAC 230-04-455 Employees to wear identification tags. Each employee required to obtain a license from the commission shall wear an identification tag at all times while working or playing in the gambling activity on the employer's premises. The identification tag shall be a minimum of 3" X 2" and shall display the employee's name and the name of the gambling operator or establishment. All information on the identification tag shall be clear and easily visible to the players in the gambling activity. The identification tag shall be worn on the employee's chest. It shall be furnished to the employee by the operator, who shall be equally responsible with the employee to insure the identification tag is displayed as required by this rule.

While playing cards off-duty on the employer's premises the licensed employee must wear the identification tag unless a sign is clearly posted in the card room as follows: "Employees of this card room may participate in the card games while off-duty as players. Upon your request, the card room floor person will identify any employee playing cards."

[Statutory Authority: RCW 9.46.070 (11) and (14). 88-17-050 (Order 182), § 230-04-455, filed 8/16/88. Statutory Authority: RCW 9.46.070 (10) and (13). 78-08-055 (Order 86), § 230-04-455, filed 7/20/78.]

WAC 230-04-500 Local gambling prohibitions. The commission shall issue no license to engage in any gambling activity in a county or city after the commission has been adequately notified in writing by the governing body of such county or city that the activity has been prohibited.

[Order 23, § 230-04-500, filed 9/23/74; Order 5, § 230-04-500, filed 12/19/73.]

Chapter 230-08 WAC RECORDS AND REPORTS

WAC

230-08-010	Monthly records.
230-08-015	Certain lower volume licensees may meet reduced recordkeeping requirements.
230-08-017	Control of gambling equipment—Use of identification and inspection services stamps.
230-08-025	Accounting records to be maintained by distributors and manufacturers.
230-08-040	Sales invoices—Minimum information to be recorded for transfer of gambling equipment.
230-08-060	Commercial amusement game records.
230-08-070	Raffle records.
230-08-080	Daily records—Bingo.
230-08-090	Daily records—Card games.
230-08-095	Minimum standards for monthly and annual accounting records—Charitable or nonprofit organizations.
230-08-100	Political contributions of licensees to be reported.
230-08-105	Disposable bingo cards—Inventory control record.

230-08-110	Prize inventory control procedures—Records required—Charitable or nonprofit organizations.
230-08-120	Quarterly activity report by operators of bingo games (license Class D and above).
230-08-122	Annual progress and financial report—All nonprofit and charitable organizations.
230-08-125	Annual activity reports—Certain activities operated by charitable or nonprofit organizations.
230-08-130	Quarterly activity reports by operators of punchboards and pull tabs.
230-08-140	Quarterly activity reports by distributors.
230-08-150	Quarterly activity reports by manufacturers.
230-08-160	Quarterly activity reports by operators of social and public card rooms.
230-08-180	Annual activity reports by commercial amusement game operators.
230-08-200	All records subject to commission audit.
230-08-250	Annual activity reports by agricultural fairs and other bona fide charitable or nonprofit organizations with special location licenses to conduct bingo, raffles, and amusement games.
230-08-255	Bona fide charitable or nonprofit organizations—Significant progress.
230-08-260	Fund raising events—Activity report required.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

230-08-020	Distributor's records. [Statutory Authority: RCW 9.46.070 (7) and (13). 80-03-059 (Order 98), § 230-08-020, filed 2/25/80; Order 21, § 230-08-020, filed 8/20/74; Order 18, § 230-08-020, filed 5/21/74; Order 9, § 230-08-020, filed 12/19/73, 1:26 p.m.; Order 5, § 230-08-020, filed 12/19/73, 1:25 p.m.] Repealed by 83-10-002 (Order 132), filed 4/21/83. Statutory Authority: RCW 9.46.070 (8) and (11).
230-08-030	Manufacturer's records. [Order 14, § 230-08-030, filed 3/27/74; Order 9, § 230-08-030, filed 12/19/73, 1:26 p.m.; Order 5, § 230-08-030, filed 12/19/73, 1:25 p.m.] Repealed by 83-10-002 (Order 132), filed 4/21/83. Statutory Authority: RCW 9.46.070 (8) and (11).
230-08-170	Punchboard and pull tab retention. [Statutory Authority: RCW 9.46[.070] (8), (14). 87-17-052 (Order 171), § 230-08-170, filed 8/18/87. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-08-170, filed 6/15/84. Statutory Authority: RCW 9.46.070(11). 81-21-033 (Order 114), § 230-08-170, filed 10/15/81; Order 72, § 230-08-170, filed 7/26/77; Order 23, § 230-08-170, filed 9/23/74; Order 14, § 230-08-170, filed 3/27/74; Order 5, § 230-08-170, filed 12/19/73, 1:25 p.m.] Repealed by 88-13-117 (Order 180), filed 6/22/88. Statutory Authority: RCW 9.46.[070] (8), (11) and (14).
230-08-230	Report required of certain sales. [Order 5, § 230-08-230, filed 12/19/73, 1:25 p.m.] Repealed by Order 14, filed 3/27/74.
230-08-240	Annual activity reports by commercial amusement game operators Class A and B. [Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-08-240, filed 9/18/91, effective 10/19/91. Statutory Authority: RCW 9.46.070 (8) and (9). 85-06-002 (Order 147), § 230-08-240, filed 2/22/85; Order 74, § 230-08-240, filed 8/17/77.] Repealed by 92-21-021, filed 10/13/92, effective 11/13/92. Statutory Authority: RCW 9.46.070.

WAC 230-08-010 Monthly records. Every person or organization licensed to operate any gambling activity shall maintain permanent monthly records of all financial transactions directly or indirectly related to gambling activities. Each record shall include, but not necessarily be limited to, all details of the following:

(1) All financial transactions completed by the licensee and contain enough detail to determine compliance with the requirements of WAC 230-04-024, 230-04-080, and 230-08-122;

(2) Each licensed activity shall be recorded separately and include all transactions occurring during a calendar month. These records shall be complete in every detail and available for audit or inspection by agents of the commission or other law enforcement personnel no later than thirty days following the end of each month: *Provided*, That businesses licensed to operate punchboards and pull tabs as commercial stimulants shall complete monthly records no later than fifteen days following the end of each month and such shall be available for audit or inspection the next day;

(3) The gross gambling receipts from the conduct of each of the activities licensed;

(4) Full details on all expenses related to each of the activities licensed;

(5) The total cost of all prizes paid out for each of the activities licensed;

(6) With respect to those organizations licensed as qualified bona fide charitable or nonprofit organizations, except agricultural fairs, records shall clearly show in detail how the proceeds from each licensed activity obtained by the licensee were used or disbursed by that licensee. These records shall provide an audit trail satisfactory to allow verification that the funds were used for the organization's purpose(s). These records will include, but not be limited to, canceled checks for the subject disbursements;

(7) With respect to commercial stimulant licensees, records shall include at least the following details:

(a) Gross sales of food and drink for consumption on their licensed premises;

(b) Gross sales of food and drink for consumption off the licensed premises; and

(c) Gross sales from all other business activities occurring on the licensed premises.

(8) In addition to any other requirement set forth in these rules, licensees for the operation of punchboards and pull tabs shall be required to prepare a detailed monthly record for punchboards and pull tab series removed from play during that month. This detailed monthly record shall be recorded in a standard format prescribed by the commission: *Provided*, That punchboard and pull tab monthly records may be stored in computer data bases if:

(a) Computer data base records are not the primary storage medium and all original input control documents supporting data maintained in computer data bases are retained by the licensee;

(b) A "hard copy" report organizing the data maintained in the computer data base is generated for each month. This report must be completed and available for review no later than thirty days following the end of the month;

(c) An up-to-date "hard copy" report is provided within three days upon request of commission agents, law enforcement personnel, or local tax authorities;

(d) Reports generated from the computer data base provide all data required by subsection (9) of this section; and

(e) Reports generated from the computer data base organize the required data in an order that approximates the standard format and does not impede audit.

(9) Monthly records for punchboards and pull tabs shall disclose for each punchboard and pull tab series the following information:

(a) The name of the punchboard or pull tab series;

(b) The Washington state identification and inspection services stamp number recorded by attaching a records entry label: *Provided*, That in lieu of the records entry label, licensees may use a facsimile of the bar coded Washington state identification and inspection services stamp number which is generated by a printer interfaced with a computer data base, if the following standards and procedures are followed:

(i) The Washington state identification and inspection services stamp number must be electronically input into the data base by scanning the stamp with a bar code reader;

(ii) Records must be printed on white paper. Facsimiles of the bar coded Washington state identification and inspection stamp numbers must be at least one-quarter inch in height with a "quiet zone" on at least one-quarter inch of each side of the bar code;

(iii) Bar code facsimiles must be code "interleaved two of five" (USS-12/5) with a readability rate of at least 99.0% with a maximum of three passes with commission bar code reading equipment. Each licensee will be responsible for the accuracy of printouts and ensuring that bar codes are electronically readable. It is recommended that specifications of a printer be reviewed for capability to meet minimum standards prior to purchase or lease and that the printer be equipped with a serviceable ribbon.

(c) The date removed from play;

(d) The total number of tabs in each pull tab series or the total number of punches in each punchboard;

(e) The number of pull tabs or punches remaining after removal from play;

(f) The number of pull tabs or punches played from the pull tab series or punchboard;

(g) The cost to the players to purchase one pull tab or one punch;

(h) The gross gambling receipts as defined in WAC 230-02-110;

(i) The total prizes paid, including both cash and merchandise (calculated by the cost to the licensee) prizes;

(j) The net gambling receipts (gross gambling receipts less total prizes paid);

(k) The cash over or short determined by:

(i) Subtracting actual cash from net gambling receipts for punchboards and pull tabs which award cash prizes; and

(ii) Subtracting actual cash from gross gambling receipts for punchboards and pull tabs which award merchandise prizes.

(l) The actual cash received from the operation of each pull tab series or punchboard: *Provided*, That when more than one series of pull tabs is sold from a single dispensing device and the dispensing device is equipped with recording devices or meters which provide an accounting of the number of tabs dispensed from each individual series, the actual cash received may be computed by use of the meter readings. If this method is used to account for actual cash, all series in each dispensing device shall be played out at least once each calendar quarter and the combined cash over or short calculated for all series played from each dispensing device during the period by reconciling the total cash

removed from the dispensing device to the total tabs sold from that dispensing device. The combined cash over or short shall be recorded as required by (k) of this subsection;

(m) With written commission approval, licensees operating pull tabs to stimulate food and drink sales may record (k) and (l) of this subsection in total on a daily, weekly, or monthly basis, if their recordkeeping procedures meet commission standards.

(10) Copies of all additional financial data which support tax reports to any and all governmental agencies; and

(11) Each of these records shall be maintained by the licensee for a period of not less than three years from the end of the fiscal year for which the record is kept unless released by the commission from this requirement as to any particular record or records.

[Statutory Authority: RCW 9.46.070 (8), (9), 95-19-069, § 230-08-010, filed 9/18/95, effective 1/1/96. Statutory Authority: Chapter 9.46 RCW. 94-24-054 (Order 261), § 230-08-010, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070 (7), (8), (9) and (17). 93-13-063 (Order 241), § 230-08-010, filed 6/17/93, effective 7/18/93. Statutory Authority: RCW 9.46.070. 92-19-107 (Order 231), § 230-08-010, filed 9/18/92, effective 10/19/92. Statutory Authority: RCW 9.46.070 (7), (17), (8) and (9). 91-13-070 (Order 223), § 230-08-010, filed 6/17/91, effective 7/18/91. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-08-010, filed 11/27/89, effective 12/28/89. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-13-060 (Order 179), § 230-08-010, filed 6/14/88. Statutory Authority: RCW 9.46[070] (8) and (14). 87-17-052 (Order 171), § 230-08-010, filed 8/18/87. Statutory Authority: Chapter 9.46 RCW. 86-19-056 (Order 161), § 230-08-010, filed 9/15/86, effective 1/1/87. Statutory Authority: RCW 9.46.070 (4), (8), (11) and (14). 86-07-037 (Order 155), § 230-08-010, filed 3/14/86. Statutory Authority: RCW 9.46.070 (8), (11), and (14). 83-13-050 (Order 134), § 230-08-010, filed 6/14/83. Statutory Authority: RCW 9.46.070(8). 82-01-065 and 82-03-033 (Order 115 and 116), § 230-08-010, filed 12/18/81 and 1/18/82; Order 74, § 230-08-010, filed 8/17/77; Order 18, § 230-08-010, filed 5/21/74; Order 9, § 230-08-010, filed 12/19/73, 1:26 p.m.; Order 5, § 230-08-010, filed 12/19/73, 1:25 p.m.]

WAC 230-08-015 Certain lower volume licensees may meet reduced recordkeeping requirements. Notwithstanding the provisions of WAC 230-08-010, persons holding licenses issued under the classes and circumstances set out in WAC 230-04-065 and persons operating without a license under RCW 9.46.0315 and 9.46.0321 need only keep a set of permanent records of all of the activities of the licensee related to conducting the licensed activity which includes the following, by month:

(1) The gross receipts from the conduct of each licensed activity;

(2) The total amount of cash prizes actually paid out and the total of the cost to the licensee of all merchandise prizes actually paid out for each licensed activity;

(3) A summary of all expenses related to each of the activities licensed; and

(4) The net income received by the licensee from the licensed activity with a designation of the purposes for which the net income was raised and the amount paid each recipient of any part of the net income.

These records shall be maintained by the licensee for a period of not less than three years from the end of the license year for which the record is kept unless released by the commission from this requirement as to any particular record. Persons operating under RCW 9.46.0315 and

9.46.0321 without a license shall maintain the above records for a period of one year.

[Statutory Authority: RCW 9.46.070. 94-07-084 (Order 250), § 230-08-015, filed 3/16/94, effective 4/16/94. Statutory Authority: RCW 9.46.070 (4), (7), (8) and (11). 83-06-077 (Order 127), § 230-08-015, filed 3/2/83; Order 70, § 230-08-015, filed 5/24/77; Order 53, § 230-08-015, filed 5/25/76; Order 29, § 230-08-015, filed 1/23/75; Order 21, § 230-08-015, filed 8/20/74; Order 14, § 230-08-015, filed 3/27/74.]

WAC 230-08-017 Control of gambling equipment—

Use of identification and inspection services stamps. To ensure gambling equipment is used only as authorized, manufacturers, distributors, and operators shall maintain close control over all gambling equipment in their possession. Each transfer of such equipment shall be documented by completing an invoice or other written record setting forth the information required by WAC 230-08-040. Identification and inspection services stamps obtained from the commission shall be used to identify gambling equipment and shall be permanently and conspicuously affixed to all equipment and devices designated by the commission. Once attached, identification and inspection services stamps shall not be removed, disfigured, or otherwise tampered with by any person. These stamps shall be attached and controlled in the following manner:

(1) Identification and inspection services stamps shall be attached to the following gambling equipment and devices:

- (a) Punchboards and pull tab series;
- (b) Pull tab dispensing devices;

(c) Disposable bingo cards: *Provided*, That this requirement applies to cards shipped for use in Washington state after December 31, 1993. All inventory on hand at the distributor and operator level at the close of business on December 31, 1993, shall be exempt from this requirement;

(d) Coin or token-activated amusement games operated at any Class A amusement game license location;

(e) Electronic bingo card daubers; and

(f) Other gambling equipment or devices, as determined by the director.

(2) Identification and inspection services stamps shall only be sold to and attached by licensed manufacturers or commission staff: *Provided*, That a licensed owner of controlled gambling equipment may purchase and attach stamps per WAC 230-30-018;

(3) The fee charged for identification and inspection services stamps shall be set by the commission at a level sufficient to fund regulation and control of gambling equipment. Fees shall be as set out below:

(a) Punchboards and pull tabs:

- (i) Standard - twenty-seven cents;
- (ii) Progressive pull tab series - ten dollars per series;
- (iii) Bonus pull tab series with carry-over jackpot prizes - five dollars;

(b) Pull tab dispensing devices[;][:];

(i) Mechanical and electro-mechanical - twenty-seven cents;

(ii) Electronic - pull tab dispensing devices that require initial and ongoing evaluation of electronic components or functions, such as reading encoded data on pull tabs, accounting for income or prizes, and other functions determined by the director - one hundred dollars annually.

(c) Disposable bingo cards:

(i) Sets of individual cards or sheets of cards - twenty-seven cents;

(ii) Collations of cards - one dollar and ten cents.

(d) Coin or token-activated amusement games operated at any Class A amusement game license location - twenty-five dollars annually;

(e) Electronic bingo card daubers - ten dollars annually;

(f) Other equipment or devices - the actual cost of inspection or approval, as determined by the director.

(4) Devices that require identification and inspection services stamps to be installed annually shall have such stamps attached prior to placing any device into play and, on or before December 31 of the year preceding operation for each subsequent year: *Provided*, That annual identification and inspection services stamps shall be purchased and attached to electronic pull tab dispensing devices, coin operated amusement games, and electronic bingo card daubers located in the state on December 31, 1996, prior to the operation of such devices on or after January 1, 1997.

(5) Identification stamps shall only be affixed to gambling equipment or devices in such a manner as to assure reasonable inspection without obstruction. If equipment is enclosed or packaged within protective materials, the stamps shall be readily visible for inspection without removal of any portion of the protective packaging: *Provided*, That when more than one device is packed in a shipping carton, this requirement shall not apply if the identification and inspection services stamp numbers of all devices contained in the carton are printed or otherwise noted on the outside of the carton. Stamps and records entry labels shall be affixed in the following manner:

(a) Punchboards - on the reverse side in an area that will not obstruct removal of punches: *Provided*, That if sufficient space is not available on the reverse side, the records entry labels may be wrapped around and/or partially attached to the edge of a punchboard in a manner that will not obstruct display of prizes available or other information required by rules of the commission;

(b) Pull tabs - on the face or reverse side of the flare. If placed on the face, then they must be in an area that will not obstruct prizes available or any other information required by rules of the commission;

(c) Pull tab dispensing devices - on the outside of the main body, in an area that is not normally removed and replaced, and in a manner that will not obstruct the view of the pull tabs available for play. The records entry labels shall not be affixed to dispensing devices and may be discarded; and

(d) Disposable bingo cards - on the packing label attached to the outside of the shipping carton. Records entry labels shall be attached to the packing slip: *Provided*, That when a set or collation of cards is packed in more than one shipping carton, the stamp shall be attached to carton number one and the stamp number imprinted on all remaining shipping cartons.

(6) Identification and inspection services stamps shall not be attached to gambling equipment or devices that do not comply with rules of the commission. If a piece of equipment or a device requires specific commission approval, stamps shall not be affixed prior to such approval; and

(7) Any person requesting commission staff review, inspection, and/or evaluation of equipment, paraphernalia,

services, or schemes related to licensed gambling activities shall reimburse the commission the cost to conduct such. If the person requesting the service is currently licensed, there will be no assessment of cost for the first hour of service. A deposit of estimated cost may be required prior to performance of such service.

[Statutory Authority: RCW 9.46.070 and 9.46.116. 96-24-007 (Order 304), § 230-08-017, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070. 94-23-007, § 230-08-017, filed 11/3/94, effective 1/1/95; 94-01-033, § 230-08-017, filed 12/6/93, effective 1/6/94. Statutory Authority: Chapter 9.46 RCW. 91-21-053 (Order 228), § 230-08-017, filed 10/15/91, effective 11/15/91. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-08-017, filed 11/27/89, effective 12/28/89. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-13-060 (Order 179), § 230-08-017, filed 6/14/88.]

Reviser's note: RCW 34.05.395 requires the use of underlining and deletion marks to indicate amendments to existing rules, and deems ineffectual changes not filed by the agency in this manner. The bracketed material in the above section does not appear to conform to the statutory requirement.

WAC 230-08-025 Accounting records to be maintained by distributors and manufacturers. Every licensed distributor and manufacturer shall keep and maintain a complete set of records which include all details of all activities of the licensee related to the conduct of the licensed activity.

What system of accounting must I use and how long must I keep my records?

(1) [These] [The required] records shall be recorded using the double entry accounting system and maintained in accordance with generally accepted accounting principles. This system shall also be on the same basis as the licensee's federal income tax return. All records shall be maintained for a period of not less than three years following the end of the licensee's fiscal year. These records shall be updated at least once a month and provide a monthly balance for each account.

What are the minimum requirements that must be included in a record system?

The minimum record system shall include the following:

(2) Sales invoices - every manufacturer and distributor shall record every sale, return, or any other type of transfer of punchboards/pull tabs, pull tab dispensing devices or bingo equipment including cards, by completing a standard sales invoice or credit memo. Distributors shall use an invoice in a format prescribed and approved by the commission that includes a separate line for each identification and inspection services stamp number. This invoice shall provide space for the operator to either attach a records entry label or enter the identification and inspection services stamp number and the date the device was placed out for play. These spaces shall be adjacent to the written entry of the identification and inspection services stamp number made by the distributor. These invoices shall set out the following information:

(a) Each invoice must be prenumbered at the time of purchase. The numbering must be consecutive, using not less than four digits: *Provided*, That manufacturers and distributors may use a computer generated numbering system

if the same system is used for all sales and specific numbers can not be input by use of a manual override function;

(b) The date of sale. For distributors only: If the date of delivery is different, then the delivery date must also be entered;

(c) The customer's name and an adequate business address;

(d) A full description of each item sold, including the identification and inspection services stamp number for each item, if attached, and all information required by WAC 230-08-040;

(e) The quantity and sales price of each individual item, including individual items of merchandise to be used as prizes on punchboards and pull tabs;

(f) The gross amount of each sale to each customer including all discount terms and the total dollar amount of any discount;

(g) The sales invoice shall be prepared in at least three parts: *Provided*, That invoices for sales to operators shall be prepared in at least four parts. Invoices shall be distributed and maintained as follows:

(i) The original shall be issued to the customer: *Provided*, That an additional copy of distributor invoices shall be provided to the operator;

(ii) One shall be retained in an invoice file by customer name; and

(iii) One shall be retained in an invoice file by invoice number or in an alternative manner that accounts for each invoice numerically. This provision may be waived if the licensee receives written commission approval.

(h) Information documenting the sales of progressive jackpot pull tabs must be separately tracked, invoiced, and maintained in its own filing system. *Provided*, that a computerized system, which is capable of separately tracking this information and providing immediate output of the data, is sufficient for this requirement.

(i) Credit memos for returned items shall be prepared in the same detail as (a) through (g) of this subsection.

(3) Sales journal - the sales journal shall contain at least, but not be limited to, the following by month:

(a) The date of the sale;

(b) The invoice number of the sale;

(c) The customer name or person remitting a payment;

(d) Sales shall be categorized at least by the following:

(i) Punchboards that pay out cash prizes;

(ii) Punchboards that pay out merchandise prizes;

(iii) Pull tabs that pay out cash prizes;

(iv) Pull tabs that pay out merchandise prizes;

(v) Pull tab dispensing devices;

(vi) Merchandise that is intended for use as a prize on a punchboard or pull tab series;

(vii) Bingo equipment;

(viii) Other types of sales directly related to gambling activities, including but not limited to, equipment leases, equipment sales, and supplies; and

(ix) Sales and leases of general purpose equipment and supplies indirectly related to gambling activities, including cash registers, scales, tables, chairs, glue sticks, souvenirs, etc.

(e) Total amount of the invoice.

(4) Cash disbursements book (check register) - this record shall include a recording of all checks issued by the

licensee, cash payments made by the licensee, or payments made by any other means. All expenses by the licensee, both gambling and nongambling related, shall be documented by invoices or other appropriate supporting documents. Entries to this record shall contain at least, but not limited to, the following information by month:

- (a) The date the check was issued or payment made;
- (b) The number of the check issued;
- (c) The name of the payee; and
- (d) Each disbursement shall be categorized by type of expense.

(5) Cash receipts - all cash receipts shall be recorded in an original book of entry whether it be a sales journal, a check register, or a separate cash receipts journal, and at a minimum shall include a recording of not only cash sales, but also cash received from all sources, and shall contain at least, but not limited to, the following by month:

- (a) The date the payment was received;
- (b) The name of the person remitting the payment;
- (c) The amount of payment received.

(6) General ledger - each licensee whose gambling related sales exceed \$500,000 per year, shall have a general ledger which shall contain, in addition to all other accounts by month, a separate sales account for each type of sale;

(7) Bank reconciliation - a bank reconciliation shall be performed each month. In addition, all funds that have not been deposited at year end shall be reconciled in an account titled "cash on hand";

(8) Copies of all financial data which support tax reports to any and all governmental agencies;

(9) Manufacturer shall maintain records that provide an accountability trail for all identification and inspection services stamps purchased. These records shall include enough details to allow audit of all used, unused, and damaged stamps and includes the following minimum items:

- (a) The name of the purchaser;
- (b) The date of the sale; and
- (c) The invoice number recording the sale.

(10) An alternative format may be used for subsections (2)(a), (2)(g)(ii), (2)(g)(iii), (2)(h), (3), and (4), of this section upon advance written approval from the commission.

[Statutory Authority: RCW 9.46.070, 9.46.120, 9.46.0273, 9.46.310 and 34.05.313. 96-24-006 (Order 305), § 230-08-025, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070. 94-01-033, § 230-08-025, filed 12/6/93, effective 1/6/94; 92-19-107 (Order 231), § 230-08-025, filed 9/18/92, effective 10/19/92. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-08-025, filed 11/27/89, effective 12/28/89. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-13-060 (Order 179), § 230-08-025, filed 6/14/88. Statutory Authority: RCW 9.46.070 (8) and (11). 83-10-002 (Order 132), § 230-08-025, filed 4/21/83.]

Reviser's note: RCW 34.05.395 requires the use of underlining and deletion marks to indicate amendments to existing rules, and deems ineffectual changes not filed by the agency in this manner. The bracketed material in the above section does not appear to conform to the statutory requirement.

WAC 230-08-040 Sales invoices—Minimum information to be recorded for transfer of gambling equipment. In addition to entries required by WAC 230-08-025, the following information shall be recorded on invoices for sales or transfer of gambling equipment:

- (1) Punchboards/pull tabs - for each board or series:
 - (a) Trade name of device;

- (b) Type of device;
- (c) Form number or other manufacturer-assigned scheme to specifically identify a device, including the size or number of chances; and
 - (d) Identification and inspection services stamp number.
- (2) Pull tab dispensing devices:
 - (a) Trade name of device;
 - (b) Type of device; and
 - (c) Identification and inspection services stamp number.
- (3) Disposable bingo cards - for each set of cards or collation of packets:
 - (a) Type of product, including product line;
 - (b) Description of product, including the number of cartons, "series," "on," "cut," and "up";
 - (c) Identification and inspection services stamp number;
 - (d) Serial number or, if packets, serial number of the top page;
 - (e) Color and border pattern or, if packets, color and border pattern of the top page; and
 - (f) The unit or package number when a series or collation has been divided as authorized in WAC 230-20-192(6).
- (4) All other gambling equipment:
 - (a) Trade name of device;
 - (b) Type of device;
 - (c) Serial number or other identification numbers or characteristics; and
 - (d) Identification and inspection services stamp number.

[Statutory Authority: RCW 9.46.070. 94-01-033, § 230-08-040, filed 12/6/93, effective 1/6/94.]

WAC 230-08-060 Commercial amusement game records. Licensees for the operation of commercial amusement games shall be required to prepare a detailed record for each game or concession operated. These records shall be maintained for a period of not less than three years. These records shall be recorded using a prescribed format provided by the commission and shall include the following:

(1) The gross gambling receipts collected from each separate amusement game supported by proper receipting records. The minimum records shall contain an entry for each withdrawal of receipts from a game. For amusement games with coin-in meters the minimum entry will be the coin-in meter reading at the time of each withdrawal of receipts of a game: *Provided*, That a summary of the operation of the activity, which includes at least coin-in meter readings and gross gambling receipts, shall be provided to charitable/nonprofit organizations each time a game is serviced and/or moneys received;

(2) The number and actual cost of merchandise prizes awarded. The minimum records shall contain an entry of the number and actual cost of prizes each time prizes are added to the inventory of a game or concession and when disbursements are made for prizes;

(3) For amusement games that issue tickets for the redemption of prizes the minimum entry shall be a log of the beginning/ending ticket numbers at the end of the month for each game; and

- (4) Full details on all expenses including:
 - (a) All cash disbursements;
 - (b) The number and actual cost of all prizes purchased;

(c) All other expenses directly related to the conduct of amusement games; and

(d) All disbursements of receipts to locations authorized by WAC 230-04-138.

[Statutory Authority: RCW 9.46.070. 93-19-090 (Order 244), § 230-08-060, filed 9/15/93, effective 10/16/93. Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-08-060, filed 9/18/91, effective 10/19/91. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-08-060, filed 11/27/89, effective 12/28/89.]

WAC 230-08-070 Raffle records. A detailed record shall be prepared for each raffle conducted. Unless otherwise noted in this section, organizations licensed to conduct raffles at Class "D" or below and organizations conducting unlicensed raffles under the authority of RCW 9.46.0315 or 9.46.0321 are authorized to use reduced recordkeeping requirements as set out in WAC 230-08-015. Organizations licensed to conduct raffles at or above Class "E" or conducting raffles under any class of license by utilizing alternative drawing formats, as authorized by WAC 230-20-325, shall comply with the following recordkeeping procedures:

(1) All data required shall be recorded in a standard format prescribed by the commission;

(2) At least the following data shall be recorded:

(a) Beginning and ending ticket numbers;

(b) The total number of unsold tickets with ticket numbers that are below the highest ticket number sold;

(c) Total gross gambling receipts;

(d) A description of each prize including the cost, or if contributed to the organization, the fair market value;

(e) The name, address, and telephone number of each winner of a prize with a cost or fair market value in excess of twenty dollars;

(f) Except as authorized by WAC 230-20-335, details of disbursement to and return of tickets from sellers. Minimum details shall include:

(i) The name of the person receiving the tickets;

(ii) The number of tickets disbursed;

(iii) The number of tickets returned; and

(iv) All funds returned;

(3) In addition to the prescribed format, the following records shall be maintained:

(a) Validated deposit receipts for each deposit of raffle proceeds;

(b) All winning tickets;

(c) All ticket stubs for raffles that participants are not required to be present at the drawing;

(d) All unsold tickets for individual raffles for which gross gambling receipts exceed five thousand dollars;

(e) Invoices and other documentation recording the purchase or receipt of prizes; and

(f) Invoices and other documentation recording the purchase of tickets and other expenses of the raffle;

(4) Except as authorized by WAC 230-20-335, these records shall be maintained for a period of not less than three years from the end of the licensee's fiscal year in which the raffle was completed;

(5) Records for each individual raffle shall be completed and available for review by commission staff and local law enforcement or taxing authorities no later than thirty days following the drawing: *Provided*, That this subsection shall not restrict commission staff or local law enforcement

authorities from review of any required records prior to the allowed completion date; and

(6) Records shall be maintained at the main administrative or business office of the organization that is located within Washington state and available for commission review or audit upon request. Organizations that do not have an administrative or business office located within Washington state structured to include more than one chapter or other subdivided unit that conducts raffles under the parent organization's license, shall designate records custodians that reside in Washington state. Such custodians shall be responsible for retaining all original records and making such available for review or audit at any reasonable location within seven days of a request by commission staff: *Provided*, That the director may authorize an organization to maintain records at alternative locations if the organization has demonstrated the ability and desire to comply with all commission requirements. Records maintained under such an agreement shall be made available for commission review and audit at any designated location within seven days. The director may revoke this authority at any time by providing written notice. A request to maintain records at alternative locations shall include at least the following:

(a) The conditions that preclude or restrict compliance with normal records maintenance requirements of this subsection, including costs;

(b) The address of the location where all records will be maintained;

(c) If such records are retained outside the state of Washington, the name, address, and telephone number of a resident of the state of Washington who is authorized by the organization to accept a request for records;

(d) The name, address, and telephone number of a primary and alternate records custodian; and

(e) A notarized statement by the chief executive officer of the organization acknowledging responsibility for providing records and that failure to comply with a request for records within the allotted time may result in suspension or revocation of all licenses held by the organization.

[Statutory Authority: RCW 9.46.070. 95-07-093, § 230-08-070, filed 3/17/95, effective 7/1/95. Statutory Authority: RCW 9.46.070 (11) and (14). 89-07-045 (Order 188), § 230-08-070, filed 3/14/89. Statutory Authority: RCW 9.46.070 (8) and (11). 83-11-034 (Order 133), § 230-08-070, filed 5/16/83.]

WAC 230-08-080 Daily records—Bingo. In addition to any other requirement set forth in these rules, licensees for the operation of bingo shall be required to prepare a detailed record covering each bingo session as defined in WAC 230-02-104: *Provided*, That operators of bingo games conducted at qualified agricultural fairs and other special locations shall be exempt from this rule, but will be required to keep all operator records by location in order to properly report all information as required by WAC 230-08-250. This detailed daily record shall disclose the following information for each separate session conducted during a bingo occasion:

(1) The gross gambling receipts collected for each separate type of sale, of any kind, for bingo games including, but not limited to, regular games, early bird games, blackout games, special games, or pick up games. These gross gambling receipts shall be supported by receipting

records required by WAC 230-20-101 and inventory control records required by WAC 230-08-105. Licensees using the combination receipting method shall reconcile the extended value of all disposable cards, packets of cards, and electronically generated cards sold to the amount of sales recorded per the cash register;

(2) The amount paid out or accrued for prizes awarded for each bingo game. Each session record shall contain the following minimum information regarding prizes awarded:

- (a) The game number;
- (b) The dollar amount or the actual cost of each prize;
- (c) A complete description of all noncash prizes;
- (d) The consecutive number of the prize receipt issued for each prize;

(e) The duplicate copy of the prize receipt issued for all prizes awarded during the session;

(f) The check number of all checks used to pay winners of bingo games: *Provided*, That if the payment must be made by check under the guidelines of WAC 230-20-102 (1)(c), the duplicate copy must be maintained as a part of the session records; and

(g) Full details of prizes accrued.

(3) The net gambling receipts from each bingo session;

(4) The cash on hand at the commencement and the conclusion of each session;

(5) A reconciliation of cash on hand, net gambling receipts, and the bank deposit of net revenue for each session. The bank deposit shall be supported by a validated copy of the bank deposit receipt. Steps taken to reconcile overages and/or shortages that exceed twenty dollars for any session must be documented;

(6) An attendance record indicating the number of people participating and the time the attendance count was made;

(7) All bingo numbers or symbols selected and called during any game that offers a prize exceeding two hundred dollars. The numbers or symbols shall be recorded in the sequence selected. A computer generated "call sheet" may be used in lieu of a manual record if a print-out of results is made;

(8) The winning card or face number(s) for each individual prize awarded that exceeds two hundred dollars: *Provided*, That if the game is played using disposable bingo cards, the winning card or sheet of cards may be retained in lieu of the card numbers;

(9) A copy of the schedule of the games to be played and prizes available for the session: *Provided*, That if the record is annotated with the effective dates of each game schedule, it may be maintained separately and updated only when a change occurs. Any changes to the advertised and printed game and prize schedule, that occur during a session, must be noted in the session records and verified by the signature of the gambling manager assigned primary responsibility for supervising the session and another bingo worker on duty during the session;

(10) The gambling manager assigned primary responsibility for supervising the bingo session(s) must review all session records for accuracy, determine that required information is provided, and confirm the required deposit amount(s). After satisfactory completion of this review, the records must be signed by the gambling manager responsible for supervising the session before the gambling manager

leaves the premises on the day(s) the session(s) was conducted; and

(11) All records required by this section shall be:

(a) Recorded in a standard format prescribed by the commission;

(b) Recorded during the course of each session; and

(c) Retained for a period of not less than three years.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (20). 96-13-067 (Order 293), § 230-08-080, filed 6/18/96, effective 7/19/96. Statutory Authority: RCW 9.46.070 (1), (8), (9), (11), (13), (14), (20). 95-23-091, § 230-08-080, filed 11/20/95, effective 1/1/96. Statutory Authority: RCW 9.46.070. 94-01-034, § 230-08-080, filed 12/6/93, effective 1/6/94. Statutory Authority: Chapter 9.46 RCW. 91-21-053 (Order 228), § 230-08-080, filed 10/15/91, effective 11/15/91. Statutory Authority: RCW 9.46.020 (1) and (10) and 9.46.070 (3), (11) and (14). 86-09-036 (Order 157), § 230-08-080, filed 4/11/86. Statutory Authority: RCW 9.46.070 (8), (11), and (14). 83-13-050 (Order 134), § 230-08-080, filed 6/14/83; Order 74, § 230-08-080, filed 8/17/77; Order 43, § 230-08-080, filed 11/28/75; Order 15, § 230-08-080, filed 4/17/74; Order 5, § 230-08-080, filed 12/19/73, 1:25 p.m.]

WAC 230-08-090 Daily records—Card games. In addition to any other requirements set forth in these rules, persons licensed to operate card rooms shall be required to prepare a detailed record covering each occasion. This record shall be maintained continuously during hours of operation and updated immediately following the collection of fees during all time periods. The commission shall provide to the licensee a consecutively prenumbered standard format record sheet. This form shall contain the following:

- (1) The date of the occasion;
- (2) The time that the half hour fee was charged;
- (3) The amount of half hour fee charged per table;
- (4) The number of players at each table at half hour intervals to include all nonpaying house players;
- (5) The names and time of play for each nonpaying house player (which may only include licensed card room employees and the licensee);
- (6) The amount of fees collected at each table each hour;
- (7) The cumulative gross amount received from fees collected on each occasion and in total;
- (8) A reconciliation of chips and cash on a daily basis; and
- (9) A printed name, signature, and hours worked of the person who was responsible for the collection of fees.

All detailed record sheets issued to a licensee shall be numerically accounted for, and shall be maintained on the premises for a period of not less than three years from the date of the occasion which it records. An "occasion" for card rooms shall be defined as 20 hours beginning at 6:00 a.m. one day and running continuously through 2:00 a.m. the following day.

[Statutory Authority: RCW 9.46.070(8), 9.46.0325 and 9.46.070. 93-10-005 (Order 238), § 230-08-090, filed 4/21/93, effective 7/1/93. Statutory Authority: RCW 9.46.070 (8) and (17). 83-23-055 (Order 138), § 230-08-090, filed 11/15/83. Statutory Authority: RCW 9.46.070(8) and (14). 82-11-028 (Order 120), § 230-08-090, filed 5/11/82; Order 23, § 230-08-090, filed 9/23/74.]

WAC 230-08-095 Minimum standards for monthly and annual accounting records—Charitable or nonprofit organizations. Each charitable or nonprofit organization licensed to conduct bingo at Class D or above or authorized

to receive more than five hundred thousand dollars gross gambling receipts from combined gambling activities during any calendar year shall maintain accounting records necessary to document all receipts and disbursements of the licensee, including but not limited to those related to gambling activities.

(1) This accounting system shall be double entry and conform to generally accepted accounting principles (GAAP), except as modified by other commission rules and instructions for activity reports.

(2) The accrual method of accounting shall be mandatory and all income shall be recorded when earned and all expenses recorded when incurred: *Provided*, That the cash, modified cash, or tax basis accounting methods may be allowed if such method accurately represents the licensee's financial position and results of operations and the licensee does not have substantial liabilities or expenses not requiring a current outlay of cash, such as depreciation or amortization expenses.

(3) Organizations shall adopt a capitalization policy that is based on materiality and expected life of operating assets. Licensees shall use the following guidelines for determining a minimum level for capitalizing assets:

(a) Assets exceeding two thousand dollars and having a useful life that exceeds one year shall be capitalized and depreciated or amortized over the useful life of the asset;

(b) Preoperating start-up costs related to bingo games that exceed six thousand dollars shall be capitalized and amortized over sixty months, beginning with the first month that bingo games are conducted; and

(c) Leasehold improvements related to gambling activities, and activities conducted in conjunction with gambling activities, which exceed six thousand dollars shall be amortized over a period that does not exceed the life of the lease: *Provided*, That the amortization period may be extended to include any lease option periods if the organization's management states a reasonable expectation that the option will be exercised. All unamortized leasehold improvements shall be charged as an expense of the gambling activities in the year that the lease expires.

(4) The minimum accounting records required shall include:

(a) A cash disbursements journal and/or check register;

(b) A cash receipts and/or sales journal;

(c) A listing of all assets for which the organization paid or, if donated, valued at more than two hundred fifty dollars. If donated to the organization, the fair market value at the time of donation will be used as the determining value. Items shall be added to the listing no later than thirty days after receipt and removed only when the organization no longer has legal ownership. Regardless of whether an item has become obsolete or completely depreciated, it shall be removed only after appropriate management review has been completed and documented. A depreciation schedule shall suffice for this requirement for all capitalized items. Items converted from gambling merchandise prize inventory, required by WAC 230-08-110, to be used by the organization shall be added to this listing when converted. This listing shall include at least the following:

(i) A description of the item;

(ii) The date purchased, acquired by donation, or converted from the gambling prize pool;

(iii) The cost at the time of purchase or, if donated, the fair market value at the time received; and

(iv) The date and method of disposition of the item;

(d) A listing of all liabilities;

(e) A complete general ledger system must be maintained if the licensee has substantial assets and/or liabilities or if licensed to receive more than \$300,000 in gross gambling receipts; and

(f) Bank statements, related deposit slips, and cancelled checks.

(5) All expenditures by the licensee relating to gambling activities, shall be sufficiently documented. Cancelled checks and bank statements are not sufficient documentation without further support. Additional support for expenditures shall be provided in the following manner:

(a) Invoices or other appropriate supporting documents from commercial vendors or service agencies should contain at least the following details:

(i) The name of the person or entity selling the goods or providing the service;

(ii) A complete description of goods or services purchased;

(iii) The amount of each product sold or service provided;

(iv) The price of each unit;

(v) The total dollar amount billed; and

(vi) The date of the transaction.

(b) Disbursements, in excess of twenty-five dollars, made directly to individuals, who do not furnish normal, business type, invoices or statements, shall be made by check and supported by other written documentation indicating at least the following details:

(i) The name of the person receiving the payment;

(ii) The amount;

(iii) The date; and

(iv) The purpose.

(6) All expenditures by the licensee relating to nongambling activities shall be sufficiently documented to provide an audit trail satisfactory to allow verification that the funds were used for the organization's purpose(s) and conforms to generally accepted accounting principles.

(7) Expenditures that relate to more than one function shall be allocated to the various functions, for example program service expenses, supporting service expenses, etc. Methods of allocation shall be documented and available for commission staff review.

[Statutory Authority: RCW 9.46.070 (1), (8-11), (14), (16), (20). 96-07-075, § 230-08-095, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070 (8), (9). 95-19-069, § 230-08-095, filed 9/18/95, effective 1/1/96. Statutory Authority: RCW 9.46.070. 93-13-062 (Order 240), § 230-08-095, filed 6/17/93, effective 7/18/93. Statutory Authority: RCW 9.46.070 (7), (17), (8) and (9). 91-13-070 (Order 223), § 230-08-095, filed 6/17/91, effective 7/18/91. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-08-095, filed 4/18/89, effective 7/1/89. Statutory Authority: RCW 9.46.020 (20)(d), 9.46.050(3) and 9.46.070 (1), (2), (5), (8), (9), (11) and (12). 85-03-026 (Order 144), § 230-08-095, filed 1/9/85; Order 45, § 230-08-095, filed 12/30/75.]

WAC 230-08-100 Political contributions of licensees to be reported. Each licensee shall file with the commission a report fully disclosing each gift or contribution of money, or other thing of value, made directly or indirectly

by the licensee or the licensee's spouse, or by any person having a substantial interest in the licensee, to, or for the benefit of:

(1) Any candidate for public office or any public officeholder; or

(2) Any committee or association of persons formed to promote to encourage any candidate or candidates for, or holder or holders of, any public office; or

(3) Any person or association actually advocating any legislation or administrative rule, or any changes therein.

These reports shall be filed in the office of the commission by notation on the next quarterly activity report filed, and by attaching all details concerning each gift or contribution to the report: *Provided*, That any licensee not required to submit quarterly activity reports shall provide this information to the commission, in writing, no later than 90 days following each gift or contribution.

The filing herein shall reflect all such gifts or contributions made prior to the time of the report. The report shall be made under oath. No report need cover any period of time which is covered by a previous report filed with the gambling commission.

The report shall at minimum include the following for each gift or contribution:

(a) The amount of the gift or contribution, or a description and the retail value if other than cash; and

(b) The name of the person for whose benefit the gift or contribution was made; and

(c) The name of the person or association to whom the gift or contribution was actually made; and

(d) The name of the person or association actually making the gift or contribution; and

(e) The date the contribution was made.

Provided, That gifts or contributions made directly to a recognized political party in the state of Washington for general party purposes and not for the benefit of a specific candidate or candidates, and gifts or contributions for the benefit of a specific person or persons or for the benefit of any initiative, referendum or ballot issue which accumulate to less than fifty dollars in any calendar year shall be exempt from this reporting requirement.

Provided further, That licensed, dues paying members of bona fide trade associations which are not principally formed for the purpose of influencing candidates for public office, public officeholders, legislation, or administrative rules and are not principally formed for the purpose of representing, speaking for or advising licensees of the commission are exempted from this reporting requirement concerning the funds paid to the trade association only, if:

(a) The trade association is registered as a political committee, or its authorized representative is registered as a lobbyist, with the Washington state public disclosure commission and copies of all reports furnished by the trade association, its registered lobbyist, or both to the public disclosure commission are furnished to the gambling commission at the same time they are required to be filed with the public disclosure commission;

(b) Such exemption is specifically granted by the Washington state gambling commission to the trade association's dues paying members; and

(c) The trade association agrees in writing to open its financial records relating to dues, voluntary donations, gifts,

contributions or other sources of income or expenditures for inspection by the gambling commission at any time, with or without notice.

[Statutory Authority: RCW 9.46.070 (1), (2), (4), (5), (6), (11), (14) and (17). 86-13-055 (Order 158), § 230-08-100, filed 6/13/86; Order 23, § 230-08-100, filed 9/23/74.]

WAC 230-08-105 Disposable bingo cards—Inventory control record. All disposable bingo cards purchased or otherwise obtained must be controlled and accounted for by the licensee. This control function shall be accomplished by maintaining an inventory control record prepared in a format prescribed by the commission for Class D and above licensees: *Provided*, That alternative formats accomplishing regulatory requirements may be approved by commission staff.

(1) All purchase invoices, or a photocopy thereof, for disposable bingo cards received must be maintained on the bingo premises;

(2) Manufacturer packing records, required by WAC 230-20-192, shall be maintained as a part of the inventory control record;

(3) The following information must be recorded for disposable bingo cards immediately after purchase or before the next bingo occasion:

(a) The identification and inspection services stamp number;

(b) The serial number or, if packets, the serial number of the top page;

(c) The number of cards or card packets in the series;

(d) The type of card or card packet;

(e) The purchase invoice number;

(f) The purchase invoice date;

(g) Date and session first placed into play; and

(h) The dollar value assigned each sheet or card packet when placed into play;

(4) In addition to the information required in subsection (3) of this section, licensees using the combination receipting method, per WAC 230-20-108, shall record the following for each session sets or collations of cards are sold:

(a) The session number and date;

(b) The beginning and ending audit control numbers of the top page of the packets;

(c) Adjustments for any missing packets, per the manufacturer's packing record;

(d) The number of packets distributed to sales points and returned as unsold;

(e) Total packets issued;

(f) The value of each packet;

(g) The extended value obtained by multiplying total packets issued times the value of each packet. This total shall be carried forward to the "Daily Bingo Summary" and reconciled to the amount of sales per the cash register record; and

(h) The cumulative number of packets issued from the collation, session-to-date;

(5) Licensees using the combination receipting method may divide sets or collations of cards into no more than ten subgroups only if the information required by subsections (3) and (4) of this section are recorded for each subgroup.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (20), 96-13-067 (Order 293), § 230-08-105, filed 6/18/96, effective 7/19/96. Statutory Authority: RCW 9.46.070, 95-19-070, § 230-08-105, filed 9/18/95, effective 1/1/96; 94-01-034, § 230-08-105, filed 12/6/93, effective 1/6/94.]

WAC 230-08-110 Prize inventory control procedures—Records required—Charitable or nonprofit organizations. Charitable or nonprofit organizations shall safeguard and prevent misuse or misappropriation of all assets, including items purchased or otherwise obtained with an intent for use as prizes in conjunction with gambling activities. An inventory control record shall be maintained for each item purchased or otherwise obtained with an intent to use such as prizes for gambling activities. The inventory control record shall provide at least the following details:

- (1) A description and quantity of the items purchased;
- (2) The per-unit cost;
- (3) The date purchased;
- (4) The vendor's name (or reference number) and invoice number;

- (5) The date, number of items, and reasons for items being removed from the inventory (issued as prize, returned to the vendor, converted for use by the organization, etc.); and

- (6) Cumulative quantity of items remaining in inventory.

[Statutory Authority: RCW 9.46.070 (8), (9), 95-19-069, § 230-08-110, filed 9/18/95, effective 1/1/96.]

WAC 230-08-120 Quarterly activity report by operators of bingo games (license Class D and above). Each organization licensed to conduct bingo games in Class D and above shall submit an activity report to the commission concerning the licensed activity and other matters set forth below during each of the following periods of the year:

January 1st through March 31st
 April 1st through June 30th
 July 1st through September 30th
 October 1st through December 31st

If the licensee does not renew its license, then it shall file a report for the period between the previous report filed and the expiration date of its license.

The report form shall be furnished by the commission and the completed report shall be received in the office of the commission or postmarked no later than 30 days following the end of the period for which it is made.

The report shall be signed by the highest ranking officer or his/her designee. If the report is prepared by someone other than the licensee or an employee, then the preparer shall print his/her name and phone number on the report.

The report shall be completed in accordance with the related instructions furnished with the report. The report shall include, among other items, the following:

- (1) The gross gambling receipts from bingo.
- (2) The total amount of cash prizes actually paid out and the total of the cost to the licensee of all merchandise prizes actually paid out. Donated prizes will be recorded at the fair market value of the prize at the time they were received by the organization.
- (3) The net gambling receipts.
- (4) Full details on all expenses directly related to bingo, including at least the following:

(a) Wages, monies, or things of value paid or given to each person connected with the management, promotion, conduct or operation of the bingo game together with an attachment setting out the following:

- (i) Name;
- (ii) Duties performed;
- (iii) Hours worked; and

(iv) Wages, monies or things of value paid or given for conducting bingo activities. When an employee works in more than one activity, the total hours worked and total wages shall also be reported;

(b) A statement describing the allocation method used in allocating common use expenses; and

(c) A detailed listing of all items included under "other."
 (5) The net income.

(6) The total number of customers participating.

(7) The total number of sessions held.

(8) Net income from the operation of retail sales activities operated in conjunction with bingo games.

[Statutory Authority: RCW 9.46.070, 94-11-095 (Order 251), § 230-08-120, filed 5/17/94, effective 7/1/94. Statutory Authority: RCW 9.46.070 (1)(16), 90-10-007, § 230-08-120, filed 4/19/90, effective 7/1/90. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20), 89-09-047 (Order 190), § 230-08-120, filed 4/18/89, effective 7/1/89. Statutory Authority: RCW 9.46.070 (8) and (9), 85-06-002 (Order 147), § 230-08-120, filed 2/22/85. Statutory Authority: RCW 9.46.020 (20)(d), 9.46.050(3) and 9.46.070 (1), (2), (5), (8), (9), (11) and (12), 85-03-026 (Order 144), § 230-08-120, filed 1/9/85. Statutory Authority: RCW 9.46.070 (4), (7), (8) and (11), 83-06-077 (Order 127), § 230-08-120, filed 3/2/83; Order 70, § 230-08-120, filed 5/24/77; Order 46, § 230-08-120, filed 2/13/76; Order 42, § 230-08-120, filed 9/18/75; Order 29, § 230-08-120, filed 1/23/75; Order 23, § 230-08-120, filed 9/23/74; Order 15, § 230-08-120, filed 4/17/74; Order 5, § 230-08-120, filed 12/19/73, 1:25 p.m.]

WAC 230-08-122 Annual progress and financial report—All nonprofit and charitable organizations. Each charitable or nonprofit organization licensed to conduct gambling activities shall report annually the progress made toward accomplishment of its stated purposes. This report shall be made on a standard form provided by the commission and explain the type and scope of activities that were conducted during the organization's last annual fiscal accounting period. If any applicant has provided such information on an application within the preceding twelve months, only those items that have changed must be reported. This report shall include at least the following information:

(1) A brief history of the organization, including its purpose(s): *Provided*, That only changes in the purposes and organizational structure need to be reported after the initial application;

(2) A written statement setting out the progress made in meeting its organizational purpose(s) during the period and its goals for the future;

(3) Number of membership meetings conducted;

(4) Number of active members, as defined by WAC 230-02-183;

(5) Number of voting members;

(6) The nature, type, or kind of programs provided to members or the public;

(7) The scope of the organization's programs, including:

(a) Number of persons served;

(b) The primary geographical service area; and

(c) Number of volunteer workers and estimation of hours worked;

(8) A list of contributions, scholarships, grants, or sponsorships made during the period. The list must include the following:

(a) The name of each organization or individual receiving a contribution. In the alternative, if a contribution was made to an individual for charitable purposes, the term "individual contribution" may be used instead of the individual's name. If individual names are omitted, the organization must maintain necessary records to verify and identify the recipient for each individual contribution;

(b) The amount(s);

(c) Date(s) made; and

(d) Whether funds awarded were from gambling income or other funds;

(9) Gross income from all nongambling activities, including the source;

(10) Total expenses for both charitable and nonprofit services;

(11) The percentage or extent to which net gambling income was used for charitable as distinguished from nonprofit purposes;

(12) Revenue and expenses for any nongambling sales activities must be presented separately when conducted primarily in conjunction with gambling activities;

(13) Details of any loans, contracts, or other business transactions with related parties that accumulatively exceed one thousand dollars during the period. "Related parties" is defined as officers, board members, key employees, or members of the organization, including spouses, parents, children, and brothers or sisters of each;

(14) The names, duties performed, total hours worked, and total compensation paid for the following employees:

(a) All employees paid more than forty thousand dollars annually;

(b) Part-time employees paid more than twenty dollars per hour; and

(c) All officers receiving compensation for services rendered;

(15) In addition to information required in subsection (1) of this section, any organization licensed to conduct gambling activities in Group III, IV, or V must submit complete financial statements prepared in accordance with generally accepted accounting principles and all required disclosures or footnotes. This information must be submitted no later than one hundred twenty days following the end of the organization's fiscal year. The financial statements must include:

(a) A statement of financial position;

(b) A statement of activities. This statement may be presented in a consolidated form if details of each component are provided as supplemental information. Revenue and expenses for each activity must be presented separately as follows:

(i) Each gambling activity;

(ii) Retail sales conducted in conjunction with gambling activities;

(c) A statement of cash flows;

(d) A statement of functional expenses;

(e) In addition to all disclosures required by generally accepted accounting principles, the financial statements must disclose the following:

(i) Loans to or from officers, board members, and employees: *Provided*, That employee salary advances of five hundred dollars or less will not be considered as loans. Details of all terms, including interest rates and payment schedules, must be disclosed;

(ii) All civil penalties, fines, bribes, or embezzlements; and

(iii) An explanation of any adjustments made to prior period capital accounts or net asset balances;

(f) An explanation of material differences between amounts reported on gambling activity reports and the financial statements;

(16) The commission may require additional information to ensure completeness of the information reported including selected information covering the period from the end of the fiscal year reported and the license renewal date;

(17) The commission may grant an organization additional time to submit the information required if a written request is received prior to the due date. Any request for additional time shall be signed by the president, include a statement setting out the hardship necessitating the delay, and the expected date the required report(s) will be submitted;

(18) The commission may request any organization licensed to conduct gambling activities in Group II to submit financial statements and other information required by this rule in order to evaluate the organization's qualification.

[Statutory Authority: RCW 9.46.070 (1), (8-11), (14), (16), (20). 96-07-075, § 230-08-122, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-08-122, filed 4/18/89, effective 7/1/89.]

WAC 230-08-125 Annual activity reports—Certain activities operated by charitable or nonprofit organizations. Each charitable or nonprofit organization licensed to operate raffles, amusement games, Class A, B, or C bingo games, or combination license shall submit to the commission an annual summary of all such activities. The annual report shall be completed as follows:

(1) The report form shall be furnished by the commission, and the completed report shall be received in the office of the commission or postmarked no later than thirty days following the expiration of such organization's license year.

(2) The report shall be signed by the highest ranking officer or his/her designee. If the report is prepared by someone other than this officer, then the preparer shall include his/her name and phone number on the report;

(3) The report shall be completed in accordance with the related instructions furnished with the report. The report shall include, among other items, the following:

(a) The gross gambling receipts from the conduct of each licensed activity;

(b) The total amount of cash prizes actually paid out, and the total of the cost to the licensee of all merchandise prizes actually paid out for each licensed activity. Donated prizes will be recorded at the fair market value of the prize at the time they were received by the organization;

(c) The net gambling receipts for each activity;

(d) Full details on all expenses directly related to each activity, including all compensation paid by the licensee to each person for any work connected with the management, promotion, conduct or operation of each of the licensed activities, including a description of the work performed by that person: *Provided, That* RCW 9.46.0277 and WAC 230-20-070 are observed in relation to the restriction against employing persons to conduct or otherwise take part in the operation of a raffle;

(e) The net income from each activity;

(f) The total number of sessions conducted during the year; and

(g) The total number of players participating in bingo games.

(4) In addition, organizations that operate retail sales activities in conjunction with bingo games shall report the net income from such.

[Statutory Authority: RCW 9.46.070 and 9.46.116. 96-24-007 (Order 304), § 230-08-125, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070 (1)(16). 90-10-007, § 230-08-125, filed 4/19/90, effective 7/1/90. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-08-125, filed 4/18/89, effective 7/1/89. Statutory Authority: RCW 9.46.070 (8) and (9). 85-06-002 (Order 147), § 230-08-125, filed 2/22/85. Statutory Authority: RCW 9.46.070 (4), (7), (8) and (11). 83-06-077 (Order 127), § 230-08-125, filed 3/2/83.]

WAC 230-08-130 Quarterly activity reports by operators of punchboards and pull tabs. Each licensee for the operation of punchboards and pull tabs shall submit an activity report to the commission concerning the operation of the licensed activity and other matters set forth below:

(1) Reports shall be submitted detailing activities occurring during each of the following periods of the year:

- (a) January 1st through March 31st;
- (b) April 1st through June 30th;
- (c) July 1st through September 30th; and
- (d) October 1st through December 31st.

(2) A report shall be submitted for any period of time the activity was operated or a license was valid. If a license is not renewed, a report for the period between the previous report filed and the expiration date shall be submitted;

(3) The report form shall be furnished by the commission and the completed report shall be received in the office of the commission or postmarked no later than thirty days following the end of the period for which it is made;

(4) The report shall be signed by the highest ranking executive officer or their designee. If the report is prepared by someone other than the licensee or an employee, the preparer shall print his/her name and phone number on the report;

(5) The report shall be completed in accordance with the related instructions furnished with the report. The report shall include the following:

- (a) Gross gambling receipts from punchboards and from pull tabs;
- (b) Total amount of cash prizes paid out and the cost to the licensee of all merchandise prizes paid out for punchboards and for pull tabs;
- (c) Full details of all expenses related to the purchase and operation of punchboards and pull tabs;
- (d) Total net gambling income;

(e) The number of punchboards and the number of pull tab series removed from play during the period; and

(f) The number of punchboards and the number of pull tab series purchased during the period, less all unplayed devices returned for credit during the period.

[Statutory Authority: RCW 9.46.070 and 9.46.0217. 95-07-094, § 230-08-130, filed 3/17/95, effective 7/1/95. Statutory Authority: RCW 9.46.070. 94-11-095 (Order 251), § 230-08-130, filed 5/17/94, effective 7/1/94. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-13-060 (Order 179), § 230-08-130, filed 6/14/88. Statutory Authority: Chapter 9.46 RCW. 86-19-056 (Order 161), § 230-08-130, filed 9/15/86, effective 1/1/87. Statutory Authority: RCW 9.46.070 (8) and (9). 85-06-002 (Order 147), § 230-08-130, filed 2/22/85. Statutory Authority: RCW 9.46.070(8). 82-04-010 (Order 118), § 230-08-130, filed 1/22/82; Order 80, § 230-08-130, filed 12/28/77; Order 70, § 230-08-130, filed 5/24/77; Order 46, § 230-08-130, filed 2/13/76; Order 29, § 230-08-130, filed 1/23/75; Order 14, § 230-08-130, filed 3/27/74; Order 5, § 230-08-130, filed 12/19/73, 1:25 p.m.]

WAC 230-08-140 Quarterly activity reports by distributors. Each licensed distributor shall submit an activity report to the commission concerning sales and services relating to gambling activities each quarter by completing a report form furnished by the commission. The following requirements shall be followed for completion and filing of activity reports:

(1) Quarterly reporting periods are defined as:

- (a) January 1st through March 31st;
- (b) April 1st through June 30th;
- (c) July 1st through September 30th; and
- (d) October 1st through December 31st.

(2) The completed report shall be received in the office of the commission or postmarked no later than thirty days following the end of the period for which it is made;

(3) The report shall be signed by the highest ranking executive officer or their designee. If the report is prepared by someone other than the licensee or their employee, then the preparer's name and business telephone number must be provided;

(4) The report shall include, among other items, the following:

(a) The gross sales of gambling related supplies or equipment or merchandise of any kind which could be used to operate, or in connection with, punchboards, pull tabs, pull tab dispensing devices, bingo, or amusement games, where such sales are made in the state of Washington or for use or distribution within this state;

(b) The quantity of each specific type of device, equipment or merchandise sold within this state or for distribution and use within this state by the licensee;

(c) A listing of the name and address of each person who was a distributor's representative for the licensee during the three month period or who attempted to solicit sales of such devices, equipment or merchandise, either within the state of Washington or for use or distribution within the state; and

(d) The number of employees in the state of Washington other than those listed in (c) of this subsection.

(5) Each distributor with an active license must submit a report regardless of the level of activity. If no activity was conducted during the period, a report stating "no activity" shall be submitted;

(6) If a licensee does not renew their license, then they shall file a report for the period between the previous report filed and the expiration date of the license.

[Statutory Authority: RCW 9.46.070. 94-01-033, § 230-08-140, filed 12/6/93, effective 1/6/94. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-08-140, filed 11/27/89, effective 12/28/89. Statutory Authority: RCW 9.46.070 (8) and (9). 85-06-002 (Order 147), § 230-08-140, filed 2/22/85. Statutory Authority: RCW 9.46.070(7). 79-09-029 (Order 91), § 230-08-140, filed 8/14/79; Order 70, § 230-08-140, filed 5/24/77; Order 46, § 230-08-140, filed 2/13/76; Order 29, § 230-08-140, filed 1/23/75; Order 5, § 230-08-140, filed 12/19/73, 1:25 p.m.]

WAC 230-08-150 Quarterly activity reports by manufacturers. Each licensed manufacturer shall submit an activity report to the commission concerning all sales and services relating to gambling activities each quarter by completing a report form furnished by the commission. The following requirements shall be followed for completion and filing of activity reports:

(1) Quarterly reporting periods are defined as:

- (a) January 1st through March 31st;
- (b) April 1st through June 30th;
- (c) July 1st through September 30th; and
- (d) October 1st through December 31st.

(2) The completed report shall be received in the office of the commission or postmarked no later than thirty days following the end of the period for which it is made;

(3) The report shall be signed by the highest ranking executive officer or their designee. If the report is prepared by someone other than the licensee or their employee, then the preparer shall print his/her name and phone number on the report;

(4) The report shall include, among other items, the following:

(a) The gross sales of gambling related supplies or equipment, or merchandise of any kind which could be used to operate, or in connection with, punchboards, pull tabs, pull tab dispensing devices, bingo, or amusement games, when such sales are made in the state of Washington or for distribution or use within the state of Washington;

(b) The quantity of each specific type of such device, equipment, or merchandise sold within the state or for distribution or use within the state of Washington by the licensee;

(c) A listing of the name and address of each person who was a manufacturer's representative for the licensee or who solicited sales of such devices or equipment for or on behalf of the licensee within the state of Washington or for use or distribution within the state; and

(d) The number of employees in the state of Washington other than those listed in (c) of this subsection.

(5) Each manufacturer with an active license must submit a report regardless of the level of activity. If no activity was conducted during the period, a report stating "no activity" shall be submitted;

(6) If a licensee does not renew their license, then they shall file a report for the period between the previous report filed and the expiration date of the license.

[Statutory Authority: RCW 9.46.070. 94-11-095 (Order 251), § 230-08-150, filed 5/17/94, effective 7/1/94; 94-01-033, § 230-08-150, filed 12/6/93, effective 1/6/94. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-08-150, filed 11/27/89, effective 12/28/89.

Statutory Authority: RCW 9.46.070 (8) and (9). 85-06-002 (Order 147), § 230-08-150, filed 2/22/85; Order 70, § 230-08-150, filed 5/24/77; Order 46, § 230-08-150, filed 2/13/76; Order 29, § 230-08-150, filed 1/23/75; Order 14, § 230-08-150, filed 3/27/74; Order 5, § 230-08-150, filed 12/19/73, 1:25 p.m.]

WAC 230-08-160 Quarterly activity reports by operators of social and public card rooms. Each licensee for the operation of social or public card rooms shall submit an activity report to the commission concerning the operation of the licensed activity and other matters set forth below: *Provided*, That persons licensed under Class "D" - general, no fee charged, are exempt from all portions of this section:

(1) Reports shall be submitted detailing activities occurring during each of the following periods of the year:

- (a) January 1st through March 31st;
- (b) April 1st through June 30th;
- (c) July 1st through September 30th; and
- (d) October 1st through December 31st.

(2) A report shall be submitted for any period of time the activity was operated or a license was valid. If a license is not renewed, a report for the period between the previous report filed and the expiration date shall be submitted;

(3) The report form shall be furnished by the commission and the completed report shall be received in the office of the commission or postmarked no later than thirty days following the end of the period for which it is made;

(4) The report shall be signed by the highest ranking executive officer or their designee. If the report is prepared by someone other than the licensee or an employee, the preparer shall print his/her name and phone number on the report;

(5) The report shall be completed in accordance with the related instructions furnished with the report. The report shall include the following:

(a) Gross gambling receipts from the collection of fees charged for allowing persons to play;

(b) Full details of all compensation paid by the licensee to each person for any work connected with the management, promotion, conduct or operation of the card room, including:

(i) A description of the work performed by that person, including identifying each dealer;

(ii) The hourly wage, including benefits;

(iii) The total hours worked during the period; and

(iv) Full details of all other expenses related to the operation of the card room;

(c) Net gambling income or loss from the operation of the card room for the reporting period;

(d) The normal days and times of operation of the card room; and

(e) The total hours the card room was open during the period.

[Statutory Authority: RCW 9.46.070 and 9.46.0217. 95-07-094, § 230-08-160, filed 3/17/95, effective 7/1/95. Statutory Authority: RCW 9.46.070. 94-11-095 (Order 251), § 230-08-160, filed 5/17/94, effective 7/1/94. Statutory Authority: Chapter 9.46 RCW. 86-19-056 (Order 161), § 230-08-160, filed 9/15/86, effective 1/1/87. Statutory Authority: RCW 9.46.070 (8) and (9). 85-06-002 (Order 147), § 230-08-160, filed 2/22/85. Statutory Authority: RCW 9.46.070 (4), (7), (8) and (11). 83-06-077 (Order 127), § 230-08-160, filed 3/2/83; Order 80, § 230-08-160, filed 12/28/77; Order 70, § 230-08-160, filed 5/24/77.]

WAC 230-08-180 Annual activity reports by commercial amusement game operators. (License Class B and above) (1) Each licensee for the operation of commercial amusement games Class B and above shall submit an activity report to the commission concerning the operation of the licensed activity and other matters set forth below.

(2) The report form shall be furnished by the commission and the completed report shall be received in the office of the commission or postmarked no later than sixty days following the license expiration date.

(3) The report shall be signed by the highest ranking executive officer or their designee. If the report is prepared by someone other than the licensee or their employee, then the preparer's name and business telephone number must be provided.

(4) The report shall be completed in accordance with the related instructions furnished with the report. The report shall include the following:

- (a) The total gross gambling receipts;
- (b) The total cost to the licensee of all prizes awarded;
- (c) Full details of all expenses related to the purchase and operation of amusement games;
- (d) Total net gambling income;

(5) In addition to the above, commercial amusement game licensees operating amusement games at locations on a temporary basis set forth in WAC 230-04-138 (1)(a), (d), or (e) or as authorized by WAC 230-20-670(2) shall provide for each separate location:

- (a) The name and address of the business and/or event;
- (b) The total gross gambling receipts received; and
- (c) The amount of funds distributed to the premise/location owner.

[Statutory Authority: RCW 9.46.070, 92-21-021, § 230-08-180, filed 10/13/92, effective 11/13/92. Statutory Authority: RCW 9.46.070 and 9.46.0331, 91-19-093 (Order 227), § 230-08-180, filed 9/18/91, effective 10/19/91. Statutory Authority: RCW 9.46.070 (4), (11) and (14), 89-24-002 (Order 201), § 230-08-180, filed 11/27/89, effective 12/28/89.]

WAC 230-08-200 All records subject to commission audit. Any and all records of any person operating any activity authorized by RCW 9.46.030, or any licensed distributor or manufacturer of gambling devices, paraphernalia or equipment, or any commission permittee, its employees, any of its members that directly participate in the management, operation or promotion of an authorized activity, including but not limited to, those which are required to be kept or which relate in any manner to the conduct of any activity licensed by the commission, or of a rule of the commission, shall be subject to an audit by the commission and any of its authorized representatives, without notice: *Provided*, That unless otherwise provided elsewhere in these rules, such an audit must be begun between the hours of 8:00 a.m. and 5:00 p.m. on a weekday other than a holiday, or during the hours in which the activity is being actually operated, and performed upon the premises of the licensee where the records are located.

In the event of an audit by the commission, or any of its authorized representatives, the operator, distributor, manufacturer or permittee, shall immediately provide all such records, provide a place where such audit may be performed and render such reasonable assistance to the commission and

its representatives in inspecting such records as may be requested.

[Order 53, § 230-08-200, filed 5/25/76; Order 15, § 230-08-200, filed 4/17/74; Order 5, § 230-08-200, filed 12/19/73, 1:25 p.m.]

WAC 230-08-250 Annual activity reports by agricultural fairs and other bona fide charitable or nonprofit organizations with special location licenses to conduct bingo, raffles, and amusement games. Each bona fide charitable or nonprofit licensee for the operation of bingo, raffles, and amusement games conducted only at agricultural fairs and other special locations shall submit an activity report to the commission concerning the operation of the licensed activities and other matters set forth below for the period of their license.

The report form shall be furnished by the commission and the completed report shall be received in the office of the commission or postmarked no later than 30 days following the expiration date of the license. All persons operating by virtue of a permit issued by the commission shall furnish to the licensee in conjunction with whom the permit is used, all information with respect to their own operation which is needed by the licensee to complete its report not less than ten days prior to the time the licensee is required to file his report with the commission.

The report shall be signed by the highest ranking executive officer or his designee. If the report is prepared by someone other than the licensee or his employee, then the preparer shall also sign the report.

The report shall include, among other items, the following:

- (1) The gross receipts from each separate gambling activity;
- (2) The total cash prizes actually paid out and the total of the cost to the licensee of all merchandise prizes actually paid out for each separate gambling activity;
- (3) The net receipts for each separate gambling activity;
- (4) Full details on all expenses directly related to each separate gambling activity;
- (5) The net income from each separate gambling activity; and
- (6) The gross receipts from the rental or leasing of space for licensed gambling activities.

[Statutory Authority: RCW 9.46.070 (8) and (9), 85-06-002 (Order 147), § 230-08-250, filed 2/22/85; Order 74, § 230-08-250, filed 8/17/77.]

WAC 230-08-255 Bona fide charitable or nonprofit organizations—Significant progress. Any charitable or nonprofit organization requesting to be certified to conduct gambling activities must demonstrate it has made significant progress toward meeting its stated purpose(s) during the period under review. "Significant progress" means an organization has complied with requirements set forth in its bylaws and articles of incorporation; has actively engaged in providing services to the public or its members during the entire period under consideration; and the services provided directly relate to the stated purposes of the organization. Such activities will be deemed significant when an organization utilizes a substantial portion of the resources it has available, including net gambling income, for providing services. *Provided that:* Any organization requesting to be

certified to operate gambling activities in Group III, IV, or V, as defined in WAC 230-12-076, shall demonstrate it has made "significant progress" by meeting the following additional requirements:

(1) Elections to select officers were held at least once in the previous two years;

(2) A general membership meeting to conduct the business of the organization was held at least once in the previous two years;

(3) At least sixty percent of the net gambling income earned in the organization's most recently completed fiscal accounting year was utilized in the same period as functional expenses to provide services to members or the public. The following procedures apply for purposes of determining compliance with this subsection:

(a) Fees paid by members or the public to receive services or to participate in specific activities shall be classified as a reduction to expenses for providing such services and as income to the extent fees paid exceed the cost of providing such services;

(b) The amount of net gambling income used to provide services in the year under review shall be determined by the following procedure:

(i) Compute the amount of net gambling income that must be used for services by multiplying net gambling income for the period by sixty percent or six tenths (0.6);

(ii) Compute the ratio of net gambling income when compared to total net revenue from all sources for the period by dividing net gambling income by total net revenue from all sources;

(iii) Compute the amount of net gambling income that was used for services by multiplying total expenses of providing services for the period by the result of the computation in (b)(ii) of this subsection; and

(iv) The results of the computation in (b)(iii) of this subsection must be equal to or greater than the results of the computation in (b)(i) of this subsection;

(c) An organization may be exempted from this subsection for a limited time if it:

(i) Has a formal plan to utilize an amount that is equal to or greater than sixty percent of the net gambling income earned in the current period to provide services in the next fiscal accounting period and the plan is submitted to the commission as a part of its annual progress and financial report required by WAC 230-08-122. Such services shall be in addition to those required for the next period; or

(ii) Is reserving funds to start or expand specific programs. If funds are being reserved to start or expand specific programs, the organization must expend at least twenty-five percent of net gambling income for providing services in the current fiscal accounting period;

(4) It does not expend more than thirty-five percent of functional expenses for supporting service expenses. If more than fifty percent of functional expenses are provided through indirect methods such as contributions, scholarships, and/or sponsorships, services, then not more than twenty percent of functional expenses shall be spent for supporting services;

(5) Compliance with the requirements of this section shall be prima facie evidence that an organization has made significant progress towards accomplishing its stated purposes.

[Statutory Authority: RCW 9.46.070 (1), (8-11), (14), (16), (20). 96-07-075, § 230-08-255, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070, 9.46.0261 and 9.46.0209. 94-01-035, § 230-08-255, filed 12/6/93, effective 1/6/94.]

WAC 230-08-260 Fund raising events—Activity report required. Each licensee for the operation of fund raising events shall submit an activity report to the commission concerning the operation of the licensed activities and other matters set forth below for the period of each event.

The report form shall be furnished by the commission and the completed report shall be received in the office of the commission no later than 30 days following the authorized operating days or day.

The report shall be signed by the highest ranking executive officer or his designee. If the report is prepared by someone other than the licensee or his employee, then the preparer shall print his/her name and phone number on the report.

The report shall include, among other items, the following information:

(1) The gross receipts from each separate gambling activity;

(2) Total cash prizes actually paid out and the total of the cost to the licensee of all merchandise prizes actually given out for each separate gambling activity. Donated prizes will be recorded at the fair market value of the prize at the time they were received by the organization;

(3) The net receipts for each separate gambling activity;

(4) The total net receipts;

(5) Full details of all expenses directly related to each event.

[Statutory Authority: RCW 9.46.070. 94-11-095 (Order 251), § 230-08-260, filed 5/17/94, effective 7/1/94. Statutory Authority: RCW 9.46.0355 and [9.46.]070(14). 90-13-022, § 230-08-260, filed 6/11/90, effective 7/31/90. Statutory Authority: RCW 9.46.070(14). 88-15-019 (Order 181), § 230-08-260, filed 7/11/88. Statutory Authority: RCW 9.46.070 (8) and (9). 85-06-002 (Order 147), § 230-08-260, filed 2/22/85. Statutory Authority: RCW 9.46.010 and 9.46.070 (8) and (14). 85-03-025 (Order 143), § 230-08-260, filed 1/9/85; Order 78, § 230-08-260, filed 11/17/77.]

Chapter 230-12 WAC

RULES OF GENERAL APPLICABILITY

WAC

230-12-005	Effective dates for commission rule making orders.
230-12-010	Inspection of premises, records and devices.
230-12-020	Gambling receipts deposit required by all bona fide charitable and nonprofit organizations—Exemptions.
230-12-030	No beer or liquor as prizes.
230-12-040	No firearms as prizes—Exceptions.
230-12-050	Extension of credit, loans, or gifts prohibited—Limited exception.
230-12-053	Acceptance of checks—Requirements.
230-12-060	Charitable or nonprofit—Bingo—Special review.
230-12-070	Conduct of gambling activity.
230-12-076	Regulation of charitable and nonprofit organizations—Assignment to regulatory groups.
230-12-078	Bona fide charitable or nonprofit organizations—Responsibilities—Independent management control structure required.
230-12-079	Duties and responsibilities of a charitable or nonprofit gambling manager.
230-12-080	Licensee to maintain copy of commission's rules on premises.

230-12-090	Problem gambling informational sign must be posted.
230-12-200	Prohibited practices—Contracts—Gifts—Rebates, etc.
230-12-210	Prices charged by manufacturers, distributors and operators for goods and services not to be fixed by agreement.
230-12-220	Agreement requiring payment by licensee based upon percentage of receipts from authorized activity—Prohibited.
230-12-225	Repair or service not to be conditioned upon exclusive supply arrangement.
230-12-230	Agreements restricting freedom to buy and sell—Prohibited.
230-12-250	No division of territories allowed.
230-12-280	Suspension of licenses, certificates, and permits for various purposes for premises upon which violations occur.
230-12-300	Resident agent to be appointed by foreign manufacturers, distributors, and commercial amusement game operators.
230-12-305	Licensee required to submit updated documents or information.
230-12-310	Licensees to report to the commission all civil or criminal actions filed against them.
230-12-900	Deputy director.

**DISPOSITION OF SECTIONS FORMERLY
CODIFIED IN THIS CHAPTER**

230-12-075	Commercial stimulant compliance. [Statutory Authority: Chapter 9.46 RCW. 86-24-025 (Order 163), § 230-12-075, filed 11/24/86.] Repealed by 95-09-061 (Order 267), filed 4/18/95, effective 5/19/95. Statutory Authority: RCW 9.46.070 and 9.46.0217.
230-12-400	License expiration extension. [Order 5, § 230-12-400, filed 12/19/73.] Repealed by Order 23, filed 9/23/74.

WAC 230-12-005 Effective dates for commission rule making orders. Commission rule making orders shall specify effective dates as follows:

(1) Rule making orders passed during the months of January through June shall be effective during the month of July.

(2) Rule making orders passed during the months of July through December shall be effective during the month of January.

(3) The commission may specify earlier or later effective dates for rule making orders and shall specify its reasons for such adoptions as required by RCW 34.05.350 (emergency rule adoptions) and RCW 34.05.380(3) (establishing effective dates earlier than 30 days after filing).

[Statutory Authority: Chapter 34.05 RCW and RCW 9.46.070. 96-17-012 (Order 299), § 230-12-005, filed 8/12/96, effective 1/1/97.]

WAC 230-12-010 Inspection of premises, records and devices. All premises licensed, or any premises in any way connected physically or otherwise with a licensed business, including vehicles used in connection therewith, shall at all times be open to inspection by the commission or its authorized representatives.

At any time during which a licensed gambling activity is being operated upon a premises, the commission, and any authorized representative of the commission, may enter upon the premises without advance notice and:

(1) Make a count of all monies received during the operation of the licensed activity located on the premises, inspect all receipts for income, and for prizes which have been awarded by the licensee.

(2) Inspect any of the other records of the licensee, or of any member that directly participates in the management, operation or promotion of a licensed activity, or of any employee of the licensee, or of any operator of the licensed activity.

(3) Inspect, including the dismantling of, all pieces of equipment or parts thereof, or devices of any nature, which are being used to conduct the licensed activity.

(4) When the commission, or its authorized representative, finds cause to believe that there is a reasonable probability that the provisions of chapter 9.46 RCW, including any amendments thereto, or any of the rules passed by the commission, have been or are being violated by the licensee, or its employees or operators, remove to another location or locations for further inspection and investigation, any and all records and any and all equipment, parts thereof, and devices of any nature located upon the premises related to the operation of the licensed activity, or any other gambling activity: Provided, That records may be removed, for inspection purposes, from the licensee's premises or control in the case of an inadequate working environment.

A receipt shall be issued to the licensee or operator of the activity which shall list and describe each record and each piece of equipment, or part thereof, and device which has been removed from the premises.

Each such record, piece of equipment, part thereof, and device so removed shall be returned to the premises or to the address of the licensee within a reasonable period of time after its removal subsequent to notification of settlement of the case, in as good a condition as it was in when removed, unless the commission or the director determines that the record, equipment or devices so removed are necessary for an ongoing investigation of possible violations of statutes or rules of the commission by the licensee, by employees of the licensee, or by operators of the licensed activity. Copies of retained records and reports will be provided to the licensee upon written request within ten working days after the receipt of the request, unless good cause is shown for an additional extension.

[Statutory Authority: RCW 9.46.140. 94-07-084 (Order 250), § 230-12-010, filed 3/16/94, effective 4/16/94. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 89-15-039 (Order 194), § 230-12-010, filed 7/18/89, effective 8/18/89. Statutory Authority: RCW 9.46.070(8), 9.46.20(14) [9.46.020(14)] and 9.47.130. 81-21-033 (Order 114), § 230-12-010, filed 10/15/81; Order 57, § 230-12-010, filed 7/9/76; Order 42, § 230-12-010, filed 9/18/75; Order 5, § 230-12-010, filed 12/19/73.]

WAC 230-12-020 Gambling receipts deposit required by all bona fide charitable and nonprofit organizations—Exemptions. Licensed bona fide charitable or nonprofit organizations shall protect all funds generated from gambling activities and keep such separate and apart from the licensee's general funds. Funds shall be controlled as follows:

(1) Each licensee shall keep a separate account in a recognized Washington state depository for purposes of depositing gambling receipts: *Provided*, That if such activities are conducted on the United States' portion of the Point Roberts Peninsula, Washington, the deposit may be made in a British Columbia branch of a Canadian bank: *Provided further*, That the licensee conducting the activities must provide the commission and its Canadian bank a

written release for commission staff to have unrestricted access to the licensee's Canadian bank records and the Canadian bank must provide written confirmation of its intent to honor the licensee's release. Licensees are not limited to a single gambling receipts account as long as a minimum of one separate account is maintained;

(2) Only receipts from gambling activities shall be deposited into the gambling receipts account: *Provided*, That a licensee may deposit receipts from nongambling activities, operated in conjunction with bingo games, into the gambling receipts account if such receipts are supported by detailed receipting records and all other requirements of this section are followed;

(3) No expenditures, other than for prizes, shall be made from the receipts of any licensed gambling activity until such receipts have first been deposited in the gambling receipts account: *Provided*, That bingo receipts may be withheld from deposits for jar, pig, or other similar special game prizes if:

(i) The total of all such prize funds does not accumulate to exceed two hundred dollars;

(ii) The amount withheld each session is entered in the bingo daily record; and

(iii) A reconciliation of the special game fund is made of the bingo daily record;

(4) All net gambling receipts from the operation of bingo which are being held pending disbursement shall be deposited in the licensee's gambling receipts account not later than the second banking day following receipt thereof;

(5) All net gambling receipts from the operation of card rooms, raffles (Class E and above), and amusement games (Class D and above) shall be deposited in the licensee's gambling receipts account at least once each week;

(6) Funds received from commercial amusement game operators that relate to the operation of amusement games on their premises shall be deposited in the licensee's gambling receipts account no later than the second banking day following receipt;

(7) Net gambling receipts from the operation of each punchboard and pull tab series, including cost recovery for merchandise prizes awarded, shall be deposited in the licensee's gambling receipts account no later than two banking days after a board or series is removed from play. The Washington state identification number assigned to the punchboard or pull tab series and the amount of net gambling receipts shall be recorded on the deposit slip/receipt each time a deposit is made: *Provided*, That licensees may record the Washington state identification stamp numbers and the net gambling receipts on a separate record if the record is identified with the bank validation number and maintained with the deposit slip/receipt;

(8) All deposits of net gambling receipts from each activity shall be made separately from all other deposits, and the validated deposit receipt shall be kept as a part of the records required by Title 230 WAC. Deposit receipts are a part of the applicable daily or monthly records and shall be available for inspection by commission representatives; and

(9) Bona fide charitable or nonprofit organizations that conduct only one or more of the following activities and do not possess any other licenses issued by the gambling commission are exempt from this rule:

(a) Raffles under the provisions of RCW 9.46.0315;

(b) Bingo, raffles, or amusement games under the provisions of RCW 9.46.0321;

(c) Class A, B, or C bingo game;

(d) Class A, B, C, or D raffle; or

(e) Class A, B or C amusement game.

(10) Bona fide charitable or nonprofit organizations that conduct only fund-raising events or membership raffles and have no other gambling licenses are exempt from having a separate gambling receipts account, but must meet the following conditions of deposit:

(a) No expenditures other than for prizes shall be made until such receipts have first been deposited in the licensee's bank account;

(b) All net gambling receipts shall be deposited within two banking days following receipt thereof; and

(c) The validated deposit receipt shall be kept with the licensee's gambling records.

[Statutory Authority: RCW 9.46.070 (1), (8) and (14). 96-09-073, § 230-12-020, filed 4/16/96, effective 7/1/96. Statutory Authority: RCW 9.46.070 (8), (9). 95-19-069, § 230-12-020, filed 9/18/95, effective 1/1/96. Statutory Authority: RCW 9.46.070. 93-19-090 (Order 244), § 230-12-020, filed 9/15/93, effective 10/16/93. Statutory Authority: RCW 9.46.070 (7), (17), (8) and (9). 91-13-070 (Order 223), § 230-12-020, filed 6/17/91, effective 7/18/91. Statutory Authority: RCW 9.46.070 (11) and (14). 89-17-056 (Order 196), § 230-12-020, filed 8/15/89, effective 9/15/89. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-12-020, filed 4/18/89, effective 7/1/89. Statutory Authority: RCW 9.46.020 (20)(d), 9.46.050(3) and 9.46.070 (1), (2), (5), (8), (9), (11) and (12). 85-03-026 (Order 144), § 230-12-020, filed 1/9/85. Statutory Authority: RCW 9.46.070 (9), (12) and (14). 83-08-051 (Order 130), § 230-12-020, filed 4/1/83. Formerly WAC 230-20-150.]

WAC 230-12-030 No beer or liquor as prizes. No beverages containing alcohol, including but not limited to, beer or liquor, shall be offered or awarded as a prize or in lieu of a prize for winning at any of the activities authorized by chapter 9.46 RCW: *Provided*, That this section does not apply to activities that are authorized by RCW 9.46.0305 (Dice or coin contests for music, food, or beverage payment), and RCW 9.46.0315 (Raffles—No license required, when) conducted by bona fide charitable or bona fide nonprofit organizations. No such alcoholic beverages shall be furnished to any person participating in the activity by anyone except upon the participant paying the market price therefor. If liquor is offered for sale upon the premises where an authorized activity is being conducted then no one under the age of eighteen years shall be admitted to that portion of the premises used to conduct the authorized activity. The licensee and each person conducting the activity and each person physically operating the activity shall be responsible to see that no unauthorized person is admitted to that portion of the premises.

[Statutory Authority: RCW 9.46.070, 9.46.0315 and 9.46.0321. 93-17-098 (Order 243), § 230-12-030, filed 8/17/93, effective 1/1/94; Order 51, § 230-12-030, filed 4/30/76; Order 12, § 230-12-030, filed 2/14/74; Order 5, § 230-12-030, filed 12/19/73.]

WAC 230-12-040 No firearms as prizes—Exceptions. No firearms, air guns, or other mechanical devices which are capable of discharging dangerous projectiles, including but not limited to, BB or CO₂ guns, rifles, shotguns, pistols or revolvers, or crossbows, shall be offered or awarded as a prize for any of the activities authorized by chapter 9.46 RCW: *Provided*, That bona fide charitable or

nonprofit organizations licensed to conduct a raffle, may award any legal firearm or air gun as a prize for such raffles. Any firearm for which the transfer is restricted by state or federal law shall be awarded by providing the winner a certificate for such prize which is redeemable by a licensed firearms dealer.

[Statutory Authority: RCW 9.46.070, 95-07-093, § 230-12-040, filed 3/17/95, effective 7/1/95; 94-13-099 (Order 253), § 230-12-040, filed 6/15/94, effective 7/16/94. Statutory Authority: RCW 9.46.070 (1), (2), (4), (5), (6), (11), (14) and (17). 86-13-055 (Order 158), § 230-12-040, filed 6/13/86; Order 51, § 230-12-040, filed 4/30/76; Order 12, § 230-12-040, filed 2/14/74.]

WAC 230-12-050 Extension of credit, loans, or gifts prohibited—Limited exception. No licensee, member or employee thereof shall extend credit, make a loan, or grant a gift to any person playing in an authorized activity, or which enables a person to play in an authorized activity. The consideration required to participate in the activity shall be collected in full, by cash, check, or electronic point-of-sale bank transfer, prior to participation: *Provided*, That this prohibition shall not apply to the following situations:

(1) The consideration paid for the opportunity to play a punchboard or pull tab series may be collected immediately after the play is completed only when such consideration is ten dollars or less;

(2) When a bona fide charitable or bona fide nonprofit organization conducting any of the activities authorized by chapter 9.46 RCW or commission rules has a regular billing system for all of the activities of its members with such organization, such billing system may be utilized in connection with the playing of any of the activities authorized hereunder if:

(a) The playing of such activity is limited to regular members of such organization who have become regular members prior to the commencement of such activity and whose qualifications for membership were not dependent upon, or in any way related to, the playing of such activity; and

(b) The commission has given its prior written consent to the use of such billing system in connection with the conduct of activities authorized under these rules.

(3) Charitable or nonprofit organizations utilizing credit cards, issued by a state and/or federally regulated financial institution, for payment to participate in raffles; and

(4) Promotional gifts detailed below:

(a) The providing of free or discounted food, drink, or merchandise to card players at a public card room;

(b) Promotional activities conducted as a part of bingo games and authorized by WAC 230-20-125;

(c) Performances as authorized by WAC 230-20-111;

(d) Free play for card playing as authorized by WAC 230-40-050(4);

(e) "Free roll" or customer appreciation tournaments as authorized by WAC 230-40-055(2); and

(f) Promotional game cards meeting the standards of WAC 230-46-070 (1), (a), (b), (c), (d), (e).

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-12-050, filed 11/21/96, effective 12/22/96. Statutory Authority: RCW 9.46.070, 94-13-099 (Order 253), § 230-12-050, filed 6/15/94, effective 7/16/94. Statutory Authority: RCW 9.46.070 (11), (14) and 9.46.0218 [9.46.0281]. 89-05-024 (Order 186), §

230-12-050, filed 2/13/89; Order 51, § 230-12-050, filed 4/30/76; Order 15, § 230-12-050, filed 4/17/74; Order 5, § 230-12-050, filed 12/19/73.]

WAC 230-12-053 Acceptance of checks—Requirements. (1) A licensee, member, or employee thereof may accept a check in lieu of cash from a player for activities authorized by chapter 9.46 RCW, when the following requirements are met:

(a) The check is not a third party check drawn on an individual's personal account or a counter check offered by the licensed establishment;

(b) Any personal check must be dated the same day it is offered to the licensee and fully negotiable upon acceptance by the licensee; and

(c) The check is not from a player who has a balance owed to the licensee from a previous returned personal check. *Provided*: This shall not apply to a licensee who utilizes a check guarantee and collection service.

(2) If a licensee, member or employee thereof accepts a check that does not comply with the requirements set forth above, the licensee shall be deemed to have extended credit in violation of WAC 230-12-050.

[Statutory Authority: RCW 9.46.070 (11), (14) and 9.46.0218 [9.46.0281], 89-05-024 (Order 186), § 230-12-053, filed 2/13/89.]

WAC 230-12-060 Charitable or nonprofit—Bingo—Special review. (1) The director or the commission may require an organization to appear before the commission for a special review of the organization's performance during the preceding 18 months. Topics for the review shall be limited to the following:

(a) Failure to make progress in meeting its organizational purpose(s);

(b) Payment of excessive wages;

(c) Payment of excessive rent or excessive purchase price for bingo premises;

(d) The loss of exemption from the Internal Revenue Service and its effect on continued eligibility; or

(e) Violation of bingo prize payout or net return requirements.

(2) The commission will notify all other bingo operations within a five mile radius, of the time, date, and place of the special review. The commission will also notify local law enforcement of this information.

(3) The organization shall be represented by at least a majority of the members of its board of director, its chief executive officer, its primary bingo manager, and may be represented by an attorney.

(4) At the completion of any special review, the commission may issue a written position regarding the organization reviewed. If the commission deems that corrective action is necessary, it may require the organization to develop a plan to address the concerns of the commission. The plan will be reviewed by the staff and the commission and the organization will be notified of any additional concerns. Any organization subject to corrective action will be allowed a maximum of six months after the review to conform to the approved corrective action plan. The progress made toward compliance will be monitored by the commission staff. In the event an organization fails to comply with the corrective action plan, the director may

initiate administrative action concerning any subsequent rule violations. Topics brought before the commission for a special review that constitute rule violations will be treated as a formal warning, and not subject to further administrative action. Provided, if new or continued violations occur after the completion of the special review, those violations will be subject to separate administrative action.

[Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-12-060, filed 4/18/89, effective 7/1/89.]

WAC 230-12-070 Conduct of gambling activity. No person operating any activity authorized by chapter 9.46 RCW shall, directly or indirectly, in the course of such operation:

- (1) Employ any device, scheme or artifice to defraud;
- (2) Make any untrue statement of a fact, or omit to state a fact necessary in order to make a statement not misleading, in consideration of the circumstance under which such statement was made;
- (3) Engage in any act, practice, or course of operation as would operate as a fraud or deceit upon any person.

[Statutory Authority: RCW 9.46.070. 94-13-099 (Order 253), § 230-12-070, filed 6/15/94, effective 7/16/94; Order 53, § 230-12-070, filed 5/25/76; Order 5, § 230-12-070, filed 12/19/73.]

WAC 230-12-076 Regulation of charitable and nonprofit organizations—Assignment to regulatory groups. Each charitable or nonprofit organization shall comply with licensing and operating requirements applicable to the scope of activity it has been authorized to conduct. Each organization will be assigned to a regulatory group that is based upon the authorized gambling gross receipts of all combined licenses issued to the organization. The following regulatory groups are established:

- (1) Group I - Any organization requesting to be certified to conduct gambling activities with combined annual gross receipts up to three hundred thousand dollars;
- (2) Group II - Any organization requesting to be certified to conduct gambling activities with combined annual gross receipts up to one million dollars;
- (3) Group III - Any organization requesting to be certified to conduct gambling activities with combined annual gross receipts up to three million dollars;
- (4) Group IV - Any organization requesting to be certified to conduct gambling activities with combined annual gross receipts up to five million dollars; and
- (5) Group V - Any organization requesting to be certified to conduct gambling activities with combined annual gross receipts that exceed five million dollars.

[Statutory Authority: RCW 9.46.070 (1), (8-11), (14), (16), (20). 96-07-075, § 230-12-076, filed 3/19/96, effective 7/1/96.]

WAC 230-12-078 Bona fide charitable or nonprofit organizations—Responsibilities—Independent management control structure required. It shall be the affirmative responsibility of each charitable or nonprofit organization licensed to conduct gambling activities, and its officers or board of directors, to ensure the legislative intent regarding gambling activities is met. This responsibility shall be fulfilled by developing and maintaining an independent management control system that ensures: Gambling activi-

ties are closely supervised and operated according to commission guidelines; gambling proceeds are used solely to advance the purposes of the organization; all assets of the organization are protected from misuse or defalcation; and an operating environment that facilitates implementation of the officers' or board of directors' policies is maintained. Each charitable or nonprofit organization licensed to conduct gambling activities in Group II or Group III, as defined in WAC 230-04-040, shall fulfill its responsibilities by:

(1) Developing and implementing a management control system which:

- (a) Will be overseen by an independent slate of officers or board of directors, that has been elected by a process in which all active members have a single vote;
- (b) Includes written policies which set the responsibilities of officers, board of directors, and employees;
- (c) Includes written policies establishing the scope of authority delegated to officers, board of directors, and employees;

(d) Includes affirmative management and accounting controls that ensure that all funds and other assets directly or indirectly obtained with gambling proceeds are protected from misuse, dedicated solely to the purposes of the organization, and do not inure to the private use of any person. For purposes of this section, the following uses of gambling proceeds shall not be deemed inurement:

- (i) Providing program services to members or the public; or
- (ii) Expenditures for necessary expenses, including salaries or wages for services to perform the purposes of the organization. Salaries or wages paid to members, officers, board of directors, or direct family members of any of the preceding, shall not be deemed inurement if they are necessary, reasonable, and the decision to pay such is made in an independent management control environment.

(e) Includes a planning process that sets goals regarding uses of gambling proceeds and allows the officers or board of directors to monitor progress toward meeting such goals: *Provided*, That organizations reserving funds in endowments or trust funds under limitations in WAC 230-04-024 (8)(b) and (c) must have a formal business plan or budget outlining uses of such;

(f) Includes a system of internal accounting controls that is designed to reduce errors, minimize risk of defalcations, and safeguard assets. The organization's officers or board of directors shall implement procedures to monitor established controls for compliance. The internal accounting control system shall include at least the following controls:

- (i) Management approval for expenditures;
- (ii) Procedures that restrict access to assets to only those individuals authorized by management;
- (iii) Procedures to ensure all transactions are recorded in accordance with generally accepted accounting principles. Transactions shall be recorded with enough detail to maintain accountability of assets; and

(iv) Periodic comparison of recorded assets to physical assets and reconciliation of all differences.

(g) Will be documented and available for commission staff review.

(2) Maintaining an independent operating environment. An organization's operating environment will be independent when its officers, board members, and supervisory level

employees completely separate their personal interests and the interest of the organization; *Provided*, That an organization shall not be in violation of this section if individual officers or board members acknowledge potential conflicts of interest and abstain from voting on issues that directly or indirectly affect their personal interest. Any potential conflicts of interest situations involving supervisor level employees must be reviewed and approved by the governing board of the organization. All discussions or balloting regarding potential conflicts of interest shall be recorded in the official meeting minutes. Any of the following actions by officers, board members, or supervisory level employees that are not approved by the board of directors and documented in the official minutes shall provide a presumption of the lack of an independent operating environment:

(a) They directly or indirectly receive financial or personal benefit from the organization or share in gambling proceeds of the organization; or

(b) They are directly or indirectly responsible for supervision of, or have decision-making authority over transactions that may result in direct or indirect financial or personal benefit to: Their direct relatives, including spouses, parents, children, siblings, and similar relationships, whether by blood, adoption, or marriage; persons with whom they maintain a common household; or persons with whom they have a business relationship; or

(c) They directly or, through lack of action, indirectly allow others to receive or share in the gambling proceeds of the organization.

[Statutory Authority: RCW 9.46.070, 9.46.0261 and 9.46.0209. 94-01-035, § 230-12-078, filed 12/6/93, effective 1/6/94.]

WAC 230-12-079 Duties and responsibilities of a charitable or nonprofit gambling manager. Charitable or nonprofit gambling managers shall be knowledgeable of all provisions of Title 230 WAC and chapter 9.46 RCW that relate to the operation of gambling activities they manage and restrictions regarding the use of funds generated from gambling activities for which they have been assigned responsibility. Such managers shall be responsible for supervising the operation of the gambling activity, including all ancillary activities conducted in conjunction with gambling activities, and for safeguarding funds or other assets generated from gambling activities which are under their control. This responsibility shall be fulfilled by ensuring that:

(1) The public is protected from fraud;

(2) The licensed premises is maintained in a safe condition and persons participating in the activity are reasonably protected from physical harm;

(3) Activities are conducted in a manner that ensures fair and equal participation by players and all provisions of Title 230 WAC and chapter 9.46 RCW are followed;

(4) The organization is reasonably protected from illegal acts committed by players or workers;

(5) All records are completed and correct;

(6) All moneys derived from the gambling and ancillary activities are safeguarded until transferred to a guardian designated by the board and/or officers or directly deposited in the organization's bank account;

(7) All assets of the organization, for which the gambling manager is responsible, are protected from misuse or theft; and

(8) All funds generated from gambling activities, for which the gambling manager is responsible, are disbursed or invested in accordance with the directions of the officers or governing board of the organization and used solely to further the purposes of the organization.

[Statutory Authority: RCW 9.46.070. 95-09-062 (Order 268), § 230-12-079, filed 4/18/95, effective 5/19/95.]

WAC 230-12-080 Licensee to maintain copy of commission's rules on premises. Each licensee for the operation of a gambling activity shall obtain, maintain and keep current, a copy of the rules of the commission, which shall be located upon each premises used for the conduct of a licensed activity by a licensee at all times the activity is there conducted. The rules shall be produced by the licensee and shown to any person upon demand. The fact that a licensee may not have a current copy of each of the rules of the commission shall not in any way diminish the licensee's obligation to abide by these rules.

[Statutory Authority: RCW 9.46.070(13). 78-06-066 (Order 85), § 230-12-080, filed 5/25/78; Order 12, § 230-12-080, filed 2/14/74.]

WAC 230-12-090 Problem gambling informational sign must be posted. The legislature recognizes that some individuals in Washington state are problem or compulsive gamblers. Because the state promotes and regulates gambling through the activities of the lottery commission, horse racing commission and gambling commission, the state has the responsibility to continue to provide resources for the support of services for problem and compulsive gamblers. RCW 9.46.071 requires that the lottery commission, horse racing commission and gambling commission shall jointly develop informational signs concerning problem and compulsive gambling, and the signs shall be placed in establishments of gambling licensees, horse racing licensees and lottery retailers.

All gambling commission licensees shall prominently post the problem gambling informational signs at each entrance and exit of their establishments. The informational signs will be provided to the licensee by the gambling commission and will contain the toll-free hotline number for the Washington state council on problem gambling. Brochures to patrons containing the toll-free hotline number meet the posting requirement and will be supplied by the gambling commission: *Provided*, That licensees may develop signs in compliance with this rule and the provision of RCW 9.46.071, but the signs must be reviewed and approved by the gambling commission.

If a licensee fails to prominently post the problem gambling informational signs in their establishments, they may be subject to a suspension of two days for the first violation, seven days for the second violation and fourteen days for each violation noted thereafter.

[Statutory Authority: RCW 9.46.070. 94-23-007, § 230-12-090, filed 11/3/94, effective 1/1/95.]

WAC 230-12-200 Prohibited practices—Contracts—Gifts—Rebates, etc. (1) No contract shall be made or

entered into whereby any operator or distributor agrees to deal in, purchase or operate any particular brand or brands of gambling device or equipment to the exclusion of any other brand of gambling device or equipment.

(2) No manufacturer or distributor, or his employee, shall directly or indirectly, solicit, give or offer to, or receive from any other licensee or any employee thereof, any gifts, discounts, loans of money, premiums, rebates, free merchandise of any kind, treats or services of any nature whatsoever; nor shall any licensee or employee thereof, directly or indirectly, solicit, receive from, or give or offer to any manufacturer or distributor, or his employee, any gifts, discounts, loans of money, premiums, rebates, free merchandise of any kind, treats or services of any nature whatsoever. Each licensed manufacturer or distributor of gambling devices, equipment or other gambling paraphernalia selling such items or related services in the state of Washington shall make such items or services available to all persons licensed to sell or operate such items or receive such services in Washington without discrimination and on the same prices and terms for all persons: *Provided*, That a manufacturer, by policy of the manufacturer, may choose to sell and provide services only to distributors: *Provided further*, That nondiscriminatory discounts offered to all parties on the same conditions shall be permitted.

(3) No manufacturer or distributor, or distributor's representative, shall sell to any person, or solicit from any person, any order for any device, equipment, merchandise, property or service, contingent upon that person or another purchasing or ordering some other device, equipment, merchandise, property or service. The price of any such device, equipment, merchandise, property or service charged by the licensee to another person shall not vary depending upon whether or not that person, or another, purchases or orders some other device, equipment, merchandise, property or service.

(4) In selling equipment, fixtures, supplies or commodities other than gambling devices, no manufacturer or distributor shall grant to licensees, nor shall such licensees accept, more favorable credit terms or arrangements than those extended to nonlicensed parties. The price thereof shall be in conformity with the open market price in the locality where sold and the terms of such sales shall not exceed those normally granted in accordance with the customary business practice of the particular trade in the locality where such sales are made.

[Order 80, § 230-12-200, filed 12/28/77; Order 5, § 230-12-200, filed 12/19/73.]

WAC 230-12-210 Prices charged by manufacturers, distributors and operators for goods and services not to be fixed by agreement. No manufacturer, distributor or operator shall by agreement, either express or otherwise, with any other manufacturer, distributor or operator, fix the price at which any device, paraphernalia, machine, equipment, punchboard or pull tab, prize or any other item used in connection with any of the activities authorized by chapter 9.46 RCW, as now or hereafter amended, shall be sold, or for which services in connection therewith shall be rendered. The price of these items in the competitive market place shall be established by each manufacturer, distributor or

operator for the products and services offered by each and shall not be established, directly or indirectly, in concert with one another.

[Order 29, § 230-12-210, filed 1/23/75; Order 23, § 230-12-210, filed 9/23/74; Order 14, § 230-12-210, filed 3/27/74.]

WAC 230-12-220 Agreement requiring payment by licensee based upon percentage of receipts from authorized activity—Prohibited. No bona fide charitable or nonprofit organization or any other person, association or organization shall conduct any activity authorized under chapter 9.46 RCW, or any amendments thereto, upon any premises if the lease, license, contract, or any other arrangement under which the right to use the premises for the conduct of the activity is obtained requires an unreasonable rental or other payment to another, or such rental or other payment is to be paid by the licensee wholly or partly, on the basis of a percentage of the receipts or profits derived from such gambling activity. *Provided*, That amusement games conducted as a part of, and upon the site of, a regional shopping center are exempted from the percentage of receipts or profits restriction of this section and RCW 9.46.120(2).

[Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-12-220, filed 9/18/91, effective 10/19/91; Order 58, § 230-12-220, filed 8/17/76; Order 42, § 230-12-220, filed 9/18/75; Order 18, § 230-12-220, filed 5/21/74.]

WAC 230-12-225 Repair or service not to be conditioned upon exclusive supply arrangement. No licensed manufacturer or distributor shall condition repair or service of any device or product upon an agreement by any person to purchase or obtain products or services solely from such manufacturer or distributor, or solely from any other person or combination of persons.

[Order 80, § 230-12-225, filed 12/28/77.]

WAC 230-12-230 Agreements restricting freedom to buy and sell—Prohibited. No person shall enter into any agreement, expressly or implied, with any other person which requires any person to purchase exclusively from, or sell exclusively to, any other person, or which prohibits any person from purchasing from or selling to any other person, any devices, materials, products, equipment or services which are used or offered in any way in connection with a gambling activity. No person shall enter into any agreement, express or implied, wherein any person is prohibited from, or required to, make purchases or sales only within a particular geographic area: *Provided*, That such agreements may be entered into between a licensee and its licensed representative.

[Order 15, § 230-12-230, filed 4/17/74.]

WAC 230-12-250 No division of territories allowed. No manufacturer or distributor shall make or have an agreement or understanding with any licensee that either of them shall be restricted in the operation and carrying on of business to a specific geographic area, or areas, and such a restriction shall not be a condition of any sales between a manufacturer or distributor and any other licensee: *Provid-*

ed, That this shall not prevent a distributor or manufacturer from assigning sales territories among its bona fide representatives.

[Order 21, § 230-12-250, filed 8/20/74; Order 5, § 230-12-250, filed 12/19/73.]

WAC 230-12-280 Suspension of licenses, certificates, and permits for various purposes for premises upon which violations occur. When a violation of any provision of chapter 9.46 RCW, or any amendment thereto, or any of the rules or regulations passed by the commission has occurred on any premises upon which gambling activities are conducted, for which any other license, permit or certificate issued for any purpose by any agency of the state, or political subdivision of the state, is in effect, then all such licenses, permits or certificates may be voided by the issuing agency or body pursuant to RCW 9.46.150(2), and any amendments thereto, and no license, permit or certificate so voided shall be issued or reissued for such premises for a period of up to sixty days thereafter.

[Order 53, § 230-12-280, filed 5/25/76; Order 42, § 230-12-280, filed 9/18/75; Order 5, § 230-12-280, filed 12/19/73.]

WAC 230-12-300 Resident agent to be appointed by foreign manufacturers, distributors, and commercial amusement game operators. (1) All manufacturers, distributors or class B or above commercial amusement game operators engaged in the following activities within this state, or for use in this state, that do not own or otherwise maintain a business office or licensed premises within this state shall appoint a resident agent for the purpose of receipt and acceptance of service of process and other communications on their behalf from the commission:

(a) Manufacturing, selling or distributing gambling supplies or equipment; and

(b) Renting or leasing of commercial amusement games and equipment.

(2) The resident agent shall be a natural person who is a resident and living in the state of Washington and who is eighteen years of age or older.

(3) The name and business address where service of process and delivery of mail can be made, and home address of such designated resident agent shall be filed with the commission and with any other state agency required by law.

[Statutory Authority: Chapter 9.46 RCW. 91-21-053 (Order 228), § 230-12-300, filed 10/15/91, effective 11/15/91; Order 60, § 230-12-300, filed 9/10/76; Order 33, § 230-12-300, filed 2/21/75; Order 5, § 230-12-300, filed 12/19/73.]

WAC 230-12-305 Licensee required to submit updated documents or information. In addition to any other requirements set forth in these rules, the persons licensed by the commission shall be required to submit any changes in the following documents or information on file with the commission:

(1) Articles of incorporation or by laws, or any other documents which set out the organizational structure and purposes;

(2) Internal Revenue Service tax exemption status (charitable/nonprofit organizations only);

(3) All leases, rental, consignment, franchise, or other agreements relating to gambling activities or altering the commercial stimulant business, whether oral or written; and

(4) All loans, from other than recognized financial institutions, which individually or collectively exceed a total of \$2,000.00 during any calendar year.

The new or updated documents and/or information shall be submitted to the commission by notation on the next quarterly activity report filed, and by attaching all details concerning each transaction: *Provided*, That licensees not required to submit quarterly activity reports shall submit the required information no later than 60 days following the transaction(s) date.

[Statutory Authority: RCW 9.46.070. 94-07-084 (Order 250), § 230-12-305, filed 3/16/94, effective 4/16/94. Statutory Authority: RCW 9.46.070 (7)(14). 91-07-021, § 230-12-305, filed 3/13/91, effective 4/13/91. Statutory Authority: Chapter 9.46 RCW. 87-09-043 (Order 167), § 230-12-305, filed 4/14/87.]

WAC 230-12-310 Licensees to report to the commission all civil or criminal actions filed against them.

(1) Each licensee shall report to the commission, all civil or criminal actions filed by or against the licensee or the licensee's president, chief executive officer, chairman of the board, treasurer (chief financial officer), partner or any person holding a substantial interest or manager of the licensed gambling activity. All civil cases involving personal injury, debt collection, adoption, paternity, wage disputes and noncriminal traffic infractions need not be reported.

(2) The report shall consist of a complete copy of the original documents filed. The licensee shall notify the commission of the final disposition of the case.

(3) This report shall be attached to the next quarterly activity report filed with the commission. Organizations not required to submit quarterly reports shall send the report to the commission within thirty days of their receipt of notice of the action filed.

(4) The director may exempt reporting specific types of civil actions upon written request and for good cause shown.

[Statutory Authority: Chapter 9.46 RCW. 86-21-060 (Order 162), § 230-12-310, filed 10/14/86; Order 15, § 230-12-310, filed 4/17/74.]

WAC 230-12-900 Deputy director. The deputy director appointed by the director is hereby authorized to make any kind of decision or perform any kind of duty or function, which has by the commission rules been delegated to or required of the director, when authorized to do so by the director: *Provided*, That the deputy director shall not be empowered to:

(1) Summarily suspend a license pursuant to WAC 230-50-012;

(2) Impose any penalty under WAC 230-50-010(6); but the deputy director or any other designee of the director or the commission, may issue a summary of the charges or complaint against an applicant or licensee, pursuant to WAC 230-50-010 (1) (2) (3) (4); or

(3) Designate public records officers pursuant to WAC 230-60-030.

[Statutory Authority: RCW 9.46.070 and chapter 34.05 RCW. 90-21-053, § 230-12-900, filed 10/15/90, effective 11/15/90. Statutory Authority: RCW 9.46.070(13). 81-01-063 (Order 104), § 230-12-900, filed 12/15/80.]

Chapter 230-20 WAC

BINGO, RAFFLES AND AMUSEMENT GAMES

WAC

- 230-20-010 Disclosure of prizes and rules.
- 230-20-015 Prize limits for raffles.
- 230-20-050 Use of proceeds.
- 230-20-052 Transportation provided to bingo players.
- 230-20-055 Use of proceeds from authorized activities by charitable or nonprofit organizations.
- 230-20-059 Minimum net return required for bingo games—Prize and expense limitations—Maximum gross gambling receipts.
- 230-20-060 Petitioning the director for a variance from net return requirements.
- 230-20-062 Minimum net return from bingo games—Sanctions.
- 230-20-065 Licensed bingo manager on premises.
- 230-20-070 Regulation of managers, operators, and other employees—Charitable or nonprofit organizations.
- 230-20-090 Limits on compensation paid to members or employees.
- 230-20-101 Income from bingo games—Receipting required.
- 230-20-102 Bingo prizes—Record of winners.
- 230-20-103 Bingo cards to be sold upon the premises—Exceptions.
- 230-20-104 Cash register method of receipting bingo income.
- 230-20-105 Ticket method of receipting bingo income.
- 230-20-106 Electronically generated bingo card method of receipting bingo income.
- 230-20-107 Disposable (throwaway) bingo card method for receipting bingo income.
- 230-20-108 Combination receipting method of receipting bingo income—Procedures.
- 230-20-110 Prohibited practices.
- 230-20-111 Promotional activities—Performances as gifts—Advance approval required.
- 230-20-115 Gift certificates—Requirements.
- 230-20-120 No free food or beverages to be provided at bingo games—Exceptions.
- 230-20-125 Discounts and promotional gifts—Authorized—Limits.
- 230-20-130 Operation of bingo upon retail business—Conditions.
- 230-20-170 Bingo operation time and use of premises limitations.
- 230-20-190 Bingo card prices.
- 230-20-192 Standards for disposable bingo cards—Definitions.
- 230-20-210 Age limit for bingo.
- 230-20-220 Operators shall not play.
- 230-20-230 Free games for winners—Restrictions.
- 230-20-240 Bingo equipment to be used.
- 230-20-241 Player selection games.
- 230-20-242 Activities conducted as a part of bingo games—Authorization—Restrictions.
- 230-20-243 Hidden face bingo games.
- 230-20-244 Electronic bingo card daubers—Definition—Operating restriction—Standards.
- 230-20-246 Manner of conducting bingo.
- 230-20-247 Keno bingo—Definitions and requirements.
- 230-20-248 Loteria authorized—Class A licensees only.
- 230-20-249 Three number speed bingo—Operational procedures—Restrictions.
- 230-20-300 Control of raffle prizes.
- 230-20-325 Manner of conducting a raffle.
- 230-20-335 Members-only raffles—Procedures—Restrictions.
- 230-20-350 Licensees may join together to conduct a raffle.
- 230-20-360 Licensee for the conduct of bingo games at agricultural fairs shall not allow another to do so without a permit.
- 230-20-370 Licensees may rent equipment to conduct amusement games.
- 230-20-400 Certain lower volume licensees exempted from certain rules.
- 230-20-508 Authorized amusement games—Types, standards and classifications.
- 230-20-509 Amusement games—Classification to be assigned by operator.
- 230-20-510 Attended amusement games—Operational restrictions.

- 230-20-600 Amusement games—Licensee to give notice to local police jurisdiction prior to conducting—Inspection of equipment by police.
- 230-20-610 Amusement games—Factors affecting skill to be readily visible to players.
- 230-20-615 Amusement games—Material degree of skill required—Standards.
- 230-20-620 Amusement games—Objects to be thrown to be uniform—Similar games not to use different objects unless designated.
- 230-20-630 Amusement games—Fees, rules, prizes and variations in objects to be posted—Fees to be paid in cash or scrip—Prizes not to differ from those posted.
- 230-20-640 Amusement games—Sample of prizes to be displayed.
- 230-20-650 Amusement games—Coin toss games.
- 230-20-660 Amusement games—Target shoot—Target to be brought to contestant on demand.
- 230-20-670 Commercial amusement games—Operating restrictions.
- 230-20-680 Commercial amusement games—Operation restrictions.
- 230-20-685 Commercial amusement games—Wager and prize limitations.
- 230-20-700 Coin or token activated amusement games—Standards.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

- 230-20-030 Award to actual winners only. [Order 5, § 230-20-030, filed 12/19/73, 1:25 p.m.] Repealed by 80-03-060 (Order 99), filed 2/25/80. Statutory Authority: RCW 9.46.070(10).
- 230-20-061 Temporary prize limits for bingo. [Statutory Authority: RCW 9.46.030 (2) and (3) and 9.46.070 (11) and (14). 83-19-024 (Order 136), § 230-20-061, filed 9/13/83.] Repealed by 84-01-026 (Order 139), filed 12/12/83. Statutory Authority: RCW 9.46.070 (5), (6), (8), (10) and (11).
- 230-20-063 Limits on bingo gross receipts and prize payouts and requirements for net income. [Statutory Authority: RCW 9.46.070 (5), (6), (8), (10) and (11). 84-01-026 (Order 139), § 230-20-063, filed 12/12/83.] Repealed by 85-13-041 (Order 151), filed 6/14/85. Statutory Authority: RCW 9.46.070 (7), (13) and (18).
- 230-20-064 Maximum receipts, prizes, and expenses for bingo games—Net income required. [Statutory Authority: RCW 9.46.070 (1), (8-11), (14), (16), (20). 96-07-075, § 230-20-064, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070 (1), (8), (11), (14) and (20). 96-05-011, § 230-20-064, filed 2/9/96, effective 2/9/96. Statutory Authority: Chapter 9.46 RCW. 94-24-056 (Order 262), § 230-20-064, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070. 94-07-084 (Order 250), § 230-20-064, filed 3/16/94, effective 4/16/94; 93-13-062 (Order 240), § 230-20-064, filed 6/17/93, effective 7/18/93. Statutory Authority: RCW 9.46.070 (1)(16). 90-10-007, § 230-20-064, filed 4/19/90, effective 7/1/90. Statutory Authority: RCW 9.46.070 (7), (8), (9), (10), (14), (19) and (20). 89-09-047 (Order 190), § 230-20-064, filed 4/18/89, effective 7/1/89. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-07-059 (Order 175), § 230-20-064, filed 3/15/88. Statutory Authority: Chapter 9.46 RCW. 87-13-045 (Order 168), § 230-20-064, filed 6/16/87. Statutory Authority: RCW 9.46.070 (7), (13) and (18). 85-13-041 (Order 151), § 230-20-064, filed 6/14/85.] Repealed by 96-24-008 (Order 303), filed 11/21/96, effective 12/22/96. Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075.
- 230-20-080 No person working on a bingo game for one licensee shall be allowed to work on a game operated by another licensee. [Order 9, § 230-20-080, filed 12/19/73, 1:26 p.m.] Repealed by Order 14, filed 3/27/74.
- 230-20-100 Receipting required for income and prizes in bingo games. [Statutory Authority: RCW 9.46.070 (11) and (14). 88-17-050 (Order 182), § 230-20-100, filed 8/16/88. Statutory Authority: RCW 9.46.020 (1) and (10) and 9.46.070 (3), (11) and (14). 86-09-036 (Order 157), § 230-20-100, filed 4/11/86. Statutory Authority: RCW 9.46.070 (8),

- (11) and (14). 83-13-050 (Order 134), § 230-20-100, filed 6/14/83. Statutory Authority: RCW 9.46.070 (7) and (8). 78-11-049 (Order 87), § 230-20-100, filed 10/20/78; Order 74, § 230-20-100, filed 8/17/77; Order 29, § 230-20-100, filed 1/23/75; Order 25, § 230-20-100, filed 10/23/74; Order 15, § 230-20-100, filed 4/17/74; Order 5, § 230-20-100, filed 12/19/73, 1:25 p.m.] Repealed by 90-24-005 (Order 218), filed 11/26/90, effective 12/27/90. Statutory Authority: RCW 9.46.070.
- 230-20-150 Gambling receipts deposit required by all bona fide charitable and nonprofit organizations. [Order 74, § 230-20-150, filed 8/17/77; Order 57, § 230-20-150, filed 7/9/76; Order 42, § 230-20-150, filed 9/18/75; Order 38, § 230-20-150, filed 5/9/75; Order 23, § 230-20-150, filed 9/23/74; Order 5, § 230-20-150, filed 12/19/73, 1:25 p.m.] Repealed by 83-08-051 (Order 130), filed 4/1/83. Statutory Authority: RCW 9.46.070 (9), (12) and (14). Later promulgation, see WAC 230-12-020.
- 230-20-180 Sale and use of bingo cards. [Order 12, § 230-20-180, filed 2/14/74; Order 5, § 230-20-180, filed 12/19/73.] Repealed by 83-19-024 (Order 136), filed 9/13/83. Statutory Authority: RCW 9.46.030 (2) and (3) and 9.46.070 (11) and (14).
- 230-20-200 Use of numbered balls of various weights prohibited. [Order 9, § 230-20-200, filed 12/19/73, 1:26 p.m.; Order 5, § 230-20-200, filed 12/19/73, 1:25 p.m.] Repealed by 83-19-024 (Order 136), filed 9/13/83. Statutory Authority: RCW 9.46.030 (2) and (3) and 9.46.070 (11) and (14).
- 230-20-205 Numbers called to be displayed at bingo games. [Order 5, § 230-20-205, filed 12/19/73, 1:25 p.m.] Repealed by 83-19-024 (Order 136), filed 9/13/83. Statutory Authority: RCW 9.46.030 (2) and (3) and 9.46.070 (11) and (14).
- 230-20-245 Manner of conducting bingo—Equipment to be used. [Order 58, § 230-20-245, filed 8/17/76.] Repealed by 83-19-024 (Order 136), filed 9/13/83. Statutory Authority: RCW 9.46.030 (2) and (3) and 9.46.070 (11) and (14).
- 230-20-250 Bingo income limitations. [Order 60, § 230-20-250, filed 9/10/76; Order 53, § 230-20-250, filed 5/25/76; Order 45, § 230-20-250, filed 12/30/75; Order 9, § 230-20-250, filed 12/19/73, 1:26 p.m.] Repealed by Order 65, filed 1/7/77.
- 230-20-251 Comprehensive financial information to be filed. [Order 65, § 230-20-251, filed 1/7/77.] Repealed by 84-01-026 (Order 139), filed 12/12/83. Statutory Authority: RCW 9.46.070 (5), (6), (8), (10) and (11).
- 230-20-310 Raffle tickets—Consecutive numbering. [Order 5, § 230-20-310, filed 12/19/73, 1:25 p.m.] Repealed by 83-11-034 (Order 133), filed 5/16/83. Statutory Authority: RCW 9.46.070 (8) and (11).
- 230-20-320 All raffle tickets sold to be available for drawing. [Order 5, § 230-20-320, filed 12/19/73, 1:25 p.m.] Repealed by 83-11-034 (Order 133), filed 5/16/83. Statutory Authority: RCW 9.46.070 (8) and (11).
- 230-20-330 Presence requirement at raffle drawing. [Order 5, § 230-20-330, filed 12/19/73, 1:25 p.m.] Repealed by 83-11-034 (Order 133), filed 5/16/83. Statutory Authority: RCW 9.46.070 (8) and (11).
- 230-20-340 No more than \$1.00 per ticket may be charged to enter raffle. [Order 60, § 230-20-340, filed 9/10/76.] Repealed by 83-11-034 (Order 133), filed 5/16/83. Statutory Authority: RCW 9.46.070 (8) and (11).
- 230-20-380 Persons obtaining a special amusement game license to conduct activities only at limited locations. [Statutory Authority: Chapter 9.46 RCW. 87-07-038 (Order 165), § 230-20-380, filed 3/16/87. Statutory Authority: RCW 9.46.020 (1) and (23) and 9.46.070(1). 85-11-023 (Order 150), § 230-20-380, filed 5/13/85; Order 51, § 230-20-380, filed 4/30/76.] Repealed by 91-19-093 (Order 227), filed 9/18/91. Statutory Authority: RCW 9.46.070 and 9.46.0331.
- 230-20-605 Types of amusement games authorized. [Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-20-605, filed 9/18/91, effective 10/19/91. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-20-605, filed 11/27/89, effective 12/28/89. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-07-059 (Order 175), § 230-20-605, filed 3/15/88. Statutory Authority: RCW 9.46.070 (3), (8) and (11). 85-09-040 (Order 149), § 230-20-605, filed 4/15/85. Statutory Authority: RCW 9.46.070 (4), (7), (8) and (11). 83-06-077 (Order 127), § 230-20-605, filed 3/2/83. Statutory Authority: RCW 9.46.070(11). 82-13-054 (Order 121), § 230-20-605, filed 6/14/82.] Repealed by 94-01-036, filed 12/6/93, effective 1/6/94. Statutory Authority: RCW 9.46.070.
- 230-20-698 Electronic crane amusement games—Special authorization. [Statutory Authority: RCW 9.46.070. 90-24-005 (Order 218), § 230-20-698, filed 11/26/90, effective 12/27/90. Statutory Authority: RCW 9.46.070 (3)(11)(14) and 9.46.0201. 90-05-033 (Order 206), § 230-20-698, filed 2/14/90, effective 3/17/90.] Repealed by 91-19-093 (Order 227), filed 9/18/91. Statutory Authority: RCW 9.46.070 and 9.46.0331.
- 230-20-699 Special amusement game license—Test at limited locations. [Statutory Authority: RCW 9.46.070 (11) and (14). 89-17-056 (Order 196), § 230-20-699, filed 8/15/89, effective 9/15/89. Statutory Authority: RCW 9.46.070 (11), (14) and 9.46.0218 [9.46.0281]. 89-05-024 (Order 186), § 230-20-699, filed 2/13/89. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-09-021 (Order 176), § 230-20-699, filed 4/13/88.] Repealed by 91-03-063 (Order 219), filed 1/16/91, effective 2/16/91. Statutory Authority: RCW 9.46.070 and chapter 34.05 RCW.

WAC 230-20-010 Disclosure of prizes and rules.

All licensees shall inform all persons contemplating participation in bingo or amusement games of the cost to play, rules of play, and prizes available. Notification must be prior to requiring the player to make any payment for the opportunity to take part in the activity.

(1) Information that must be disclosed:

- (a) All costs to participate;
- (b) A complete list and description of all prizes available, and including any extra cost or conditions of ownership related to prizes;
- (c) The licensee's cost or the retail value for all noncash prizes that exceed five hundred dollars. If the retail value is disclosed, it must be identified as such by including an explanation such as "retail value" or "MSRP."
- (d) All rules by which such prizes may be won;
- (e) Any contingencies that may change the cost to play or prizes available; and
- (f) Whether duplicate cards are in play.

(2) Disclosure shall be made by conspicuously posting or displaying signs upon the premises where the activity is operated. Disclosure may be made by signs or by printed flyers or handouts available at the premises;

(3) Any broadcast or published advertisements or other printed information distributed to the public which pertains to game schedules, prizes to be awarded at bingo games, or cost related to play must disclose if there are any contingencies which may result in changes to these terms: *Provided*, That advertised bingo prizes and game formats may be changed in case of inclement weather, natural disaster, or other unforeseen emergencies, if players are so informed prior to purchasing cards;

(4) In those cases where persons are able to pay for the opportunity to participate in the activity after the winner of any one of the prizes offered has been determined, the licensee shall remove each prize won from any display of prizes, and from any list of prizes which have been posted or displayed upon the premises where the activity is conducted, immediately upon the determination of the winner of that

particular prize: *Provided*, That during a bingo session, players may be informed by use of the public address system and prominent display of the game name or number.

[Statutory Authority: RCW 9.46.070. 93-13-062 (Order 240), § 230-20-010, filed 6/17/93, effective 7/18/93. Statutory Authority: RCW 9.46.070 (11) and (14). 88-17-050 (Order 182), § 230-20-010, filed 8/16/88. Statutory Authority: RCW 9.46.020 (1) and (10) and 9.46.070 (3), (11) and (14). 86-09-036 (Order 157), § 230-20-010, filed 4/11/86. Statutory Authority: RCW 9.46.070 (3), (8) and (11). 85-09-040 (Order 149), § 230-20-010, filed 4/15/85. Statutory Authority: RCW 9.46.070 (8) and (11). 83-11-034 (Order 133), § 230-20-010, filed 5/16/83; Order 42, § 230-20-010, filed 9/18/75; Order 23, § 230-20-010, filed 9/23/74; Order 5, § 230-20-010, filed 12/19/73, 1:25 p.m.]

WAC 230-20-015 Prize limits for raffles. (1) No single raffle prize may exceed \$40,000. No group of raffle prizes given during any twelve month period may exceed \$80,000.

(2) The commission may permit a licensee to exceed these limits on specific occasions for good cause shown. Requests to exceed the limits shall be submitted to the commission in writing along with the application for licensing.

[Statutory Authority: RCW 9.46.070 (8) and (11). 83-10-002 (Order 132), § 230-20-015, filed 4/21/83.]

WAC 230-20-050 Use of proceeds. No part of the proceeds of any bingo game, raffle, or amusement game conducted by a bona fide charitable or bona fide nonprofit organization, except qualified agricultural fairs, shall be used for the benefit of any person other than the organization conducting the activity; except that if the activity is conducted by a licensee for the charitable benefit of a specific person or persons who have been listed as recipients of the proceeds, or a specified portion thereof, on the application for a license to conduct the activity, then the proceeds or specified portion thereof, may be used for the benefit of such specific person or persons so designated if commission approval has been obtained prior to the organization conducting the activity for that purpose: *Provided*, That for the purposes of this section, a licensee providing transportation to bingo players under the guidelines of WAC 230-20-052 shall not be deemed in violation of this rule.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (16), (20). 96-07-078, § 230-20-050, filed 3/19/96, effective 7/1/96; Order 53, § 230-20-050, filed 5/25/76; Order 42, § 230-20-050, filed 9/18/75; Order 23, § 230-20-050, filed 9/23/74; Order 5, § 230-20-050, filed 12/19/73, 1:25 p.m.]

WAC 230-20-052 Transportation provided to bingo players. Licensed bingo operators may provide transportation to players on one occasion per week from locations outside Washington state boundaries for the purpose of allowing players to attend and participate in Washington state bingo operations. Costs associated with transporting players will be treated as a bingo activity expense.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (16), (20). 96-07-078, § 230-20-052, filed 3/19/96, effective 7/1/96.]

WAC 230-20-055 Use of proceeds from authorized activities by charitable or nonprofit organizations. All proceeds remaining after paying the necessary expenses of operating an activity authorized by RCW 9.46.0311 shall be

used by the organization conducting the activity only for those purposes which are set out in RCW 9.46.0209 and as it may be amended and, if a commission licensee, only for those purposes disclosed to the commission in the application for a license.

[Statutory Authority: RCW 9.46.070. 96-07-076, § 230-20-055, filed 3/19/96, effective 7/1/96; Order 53, § 230-20-055, filed 5/25/76; Order 23, § 230-20-055, filed 9/23/74.]

WAC 230-20-059 Minimum net return required for bingo games—Prize and expense limitations—Maximum gross gambling receipts. Bingo shall be conducted only as a social pastime or for fund raising to support the purpose(s) of a charitable or nonprofit organization. Organizations licensed to conduct bingo games shall comply with the following procedures and limitations:

(1) Gross gambling receipts from the sale of bingo cards shall not exceed the limits by class of license for the organization's license year as set out in WAC 230-04-202 or as restricted by the commission under WAC 230-20-062;

(2) To ensure that organizations licensed to conduct bingo games meet the intent of RCW 9.46.010 and retain funds adequate to promote charitable and nonprofit programs, such organizations shall not award prizes or pay expenses to conduct bingo games that are excessive. Organizations that fail to retain at least the minimum net return for their class of license, as set forth in Table 1 of this section and as adjusted by the director, may be deemed to have paid excessive prizes or unnecessary expenses from the operation of bingo games. As a result, the commission may restrict the organization's gross gambling receipts, prizes, and/or expenses from bingo games or the organization may be subject to other enforcement actions recommended by the director.

(3) This rule will apply to organizations with measurement periods beginning on or after January 1, 1996.

Table 1

License Class	Annual Gross Gambling Receipts	Maximum Prize Payout Limits*	Annual Minimum Net Return
A	Up to \$ 15,000	No Limits	No Limits****
B	\$15,000- 50,000	No Limits	No Limits****
C	50,001- 100,000	No Limits	No Limits****
D	100,001- 250,000	No Limits	No Limits****
E	250,001- 500,000	Max of 85.0%	At least 2.0%
F	500,001- 1,000,000	Max of 84.0%	At least 4.0%
G	1,000,001- 1,500,000	Max of 82.0%	At least 6.0%
H	1,500,001- 2,000,000	Max of 80.0%	At least 8.0%
I	2,000,001- 2,500,000	Max of 78.0%	At least 10.0%
J	2,500,001- 3,000,000	Max of 76.0%	At least 12.0%
K	3,000,001- 3,500,000	Max of 74.0%	At least 14.0%
L	3,500,001- 4,000,000	Max of 72.0%	At least 15.0%
M	4,000,001- 4,500,000	Max of 72.0%	At least 16.0%
N	4,500,001- 5,000,000	Max of 72.0%	At least 16.0%
O	5,000,001- 5,500,000	Max of 72.0%	At least 16.0%
P	5,500,001- 6,000,000	Max of 72.0%	At least 16.0%
Q	Over 6,000,000	Max of 72.0%	At least 16.0%

* = Applies only to licensees restricted by WAC 230-20-062.

** = Combined net income from punchboards/pull tabs, bingo, amusement games, raffles (when conducted in conjunction with the bingo game), and sales of food, drink, or other retail items, if applicable, plus local gambling taxes, as a percent of bingo gross gambling receipts.

*** = When a licensee is required to upgrade its license class in the last quarter of its annual license period, compliance with net return requirements will be measured at the lower license class.

**** = Combined net return must be equal to or greater than zero if wages or rent is paid to operate the activity. Local gambling taxes are not considered an expense for computing net return.

NOTE 1: The minimum net return requirements set forth in this table may be adjusted by the director.

NOTE 2: Net income requirements for charitable or nonprofit organizations that operate pull tabs, but do not operate bingo, are detailed in WAC 230-30-052.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-20-059, filed 11/21/96, effective 12/22/96.]

WAC 230-20-060 Petitioning the director for a variance from net return requirements. The director may allow a licensee that is being impacted by one or more factors set forth in this subsection a variance to return less funds than the requirements set out in Table 1 of WAC 230-20-059. When petitioning the director for such a variance, the licensee bears the burden of clearly setting forth all facts to demonstrate that it qualifies to be granted the variance.

What factors will be considered by the director in a request for a variance?

(1) In determining the scope and period of time for variances, the director shall consider at least the following factors:

- (a) The competition from gambling activities within a licensee's impact market area;
- (b) Whether the organization has been previously licensed to conduct bingo at any level prior to beginning operations;
- (c) Circumstances outside the control of the licensee that directly impact the bingo game;
- (d) The impact on the licensee's charitable or nonprofit programs;
- (e) The licensee's record of compliance with net return requirements prior to being impacted by any new factors;
- (f) The level of prizes being paid by the licensee; and
- (g) Other factors defined by the licensee.

What are the reasons for requesting a variance?

(2) Variances granted by the director under subsection (1) of this section shall be limited cumulatively to a total of two percentage points and individually to those set forth below in this subsection. The director may extend or modify a variance at the end of the approval adjustment period if a licensee demonstrates continued impact and a request for an extension is received prior to the end of the adjustment period. The following variances are authorized:

(a) When a new class E or above or any bingo game not under the jurisdiction of the commission begins operations within the primary market area of an operating class E or above bingo game, and:

(i) The new game operates two or more occasions per week that are common to the currently operating game, the annual minimum net requirements may be decreased by up to a maximum of two percentage points, depending on the size of the game impacting the licensee, for a period not to exceed two annual measurement periods after operation of the new game begin; or

(ii) The new game operates one occasion or less per week that is common to the currently operating game, the annual minimum net return requirement may be decreased by up to a maximum of one percentage point for a period not to exceed one annual measurement period after operation of the new game begins.

(b) When a new class E or above or any bingo game not under the jurisdiction of the commission begins operations within the secondary market area of an operating class E or above bingo game and the new game operates on two or more occasions common to the current game, then the minimum net return requirement may be decreased by one percentage point for a period not to exceed one annual measurement period after operation of the new bingo game begins;

(c) When an organization is forced to move its game:

(i) Within its primary market area - the actual cost of the move and expenses incurred during the time period the game is closed for the move shall be factored out of the computation of net return for the period. In addition, the minimum net return requirement may be decreased by one percentage point for a period of six months after beginning operation in the new location;

(ii) Outside its primary market area - the actual cost of the move and expenses incurred during the time period closed for the move shall be factored out of the computation of net return for the period. In addition, the minimum net return requirement may be decreased by one percentage point for a period not to exceed the first two annual measurement periods of operation in the new location;

(d) When an organization has not been previously licensed to conduct bingo at any level begins operation, the minimum net return requirement may be decreased by two percentage points for the first annual measurement period;

(e) When an organization experiences a temporary interruption in customer flow, the minimum net return requirement may be decreased by no more than two percentage points during the annual measurement period.

(f) When an organization experiences circumstances outside of its control, the minimum net return requirement may be decreased by up to two percentage points for up to two annual measurement periods, depending upon the severity of the impact; and

(g) When an organization experiences other factors within its impact market area, the director shall make a determination on a case-by-case basis but shall not exceed two percentage points or two measurement periods.

What do I have to do to request a variance?

(3) A licensee requesting a variance of the minimum net return requirements in Table 1 of WAC 230-20-059 shall bear the burden of clearly setting forth all facts to demonstrate that it qualifies to be granted the variance and shall follow these procedures:

(a) Submit a written petition to the director as soon as the factor impacting the bingo game is discovered. In no case may the petition be submitted later than thirty days following the end of the annual measurement period for which a variance is requested. This petition shall be detailed and include the specific circumstances for which such relief is sought;

(b) Provide objective evidence regarding the scope of the impact on the organization's charitable or nonprofit programs if a variance is not granted;

(c) Provide the date the factor causing the impact began and the estimated ending date, if known; and

(d) Provide a copy of the most recently issued financial statements if not currently on file with the commission.

How are variances calculated?

(4) For purposes of this section, variances shall begin on the first day of the next calendar quarter after the impact for which the variance is granted begins and continues for the number of calendar quarters authorized by the director. Variances that span more than one annual measurement period shall be prorated over all measurement periods by multiplying the variance by the portion of the measurement period for which the variance is authorized.

Example: If a licensee is granted a two percent variance (.02) for one year at the beginning of the last quarter of the licensee's annual measurement period, the variance would be prorated as follows: a one-half percent (.05%) variance in the current measurement period [computed by multiplying the variance percent (.02) times one quarter (.25)]; and one and one-half percent variance (1.5%) in the subsequent measurement period [computed by multiplying the variance (.02) times three quarters (.75)].

(5) This rule will apply to organizations with measurement periods beginning on or after January 1, 1996.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-20-060, filed 11/21/96, effective 12/22/96.]

Reviser's note: The brackets and enclosed material in the text of the above section occurred in the copy filed by the agency.

WAC 230-20-062 Minimum net return from bingo games—Sanctions. A licensee that fails to comply with the minimum net return provisions of WAC 230-20-059, or as adjusted by the director pursuant to WAC 230-20-060, shall have its license restricted or be subject to summary suspension and revocation of its license. The following restrictions and procedures apply to this section:

(1) Any licensee that does not achieve the minimum net return for its class of license during any calendar quarter and whose net return falls below the annual minimum requirements when measured for its annual measurement period shall take immediate steps to ensure net return requirements for the annual period will be met by completing the following:

(a) Any licensee that is out of compliance by less than one percentage point shall, upon discovery of the problem, immediately evaluate prices, prize structure, and expenses for bingo and all activities conducted in conjunction with the bingo game and develop a plan to gain compliance. The plan and the degree to which the licensee implements the plan may be used as a part of the director's decision to grant a variance to a licensee, if one is later sought, and/or for recommendations made to the commission regarding actions to limit the organization's license class;

(b) Any licensee that is out of compliance by one percentage point or more, but less than three percentage points, shall report the condition to commission staff as soon as discovered, but in no case later than thirty days following

the end of the quarter and shall take immediate steps to increase net return for bingo and all associated activities by either increasing prices, decreasing prizes, decreasing expenses, or a combination of all, and:

(i) Provide to the commission no later than forty-five days following the end of the quarter a written plan of actions to gain compliance. This plan shall be evaluated by commission staff. The plan and the degree to which the licensee implements the plan may be used as a part of the director's decision to grant a variance to a licensee and/or recommendations to the commission regarding actions to limit or summarily suspend the organization's license;

(ii) Provide the commission additional reports determined by the staff as necessary to monitor progress toward compliance; and

(iii) If requested by the director, a committee of the licensee's management, including the chief executive officer, executive director, or equivalent manager, and the licensed gambling manager responsible of [for] the bingo game shall meet with commission staff to discuss the action plan.

(c) Any licensee that is out of compliance by three percentage points or more shall, in addition to the requirements in subsection (b) above, immediately freeze all controllable expenses for bingo and all other activities operated in conjunction with bingo. The licensee must also take the following actions:

(i) Reduce expenses for bingo and all other activities operated in conjunction with bingo to a level that does not exceed twenty percent of gross gambling receipts or sales;

(ii) Reduce prizes to the level set forth as guidelines in Table 1 of WAC 230-20-059 for its class of license; and

(iii) Increase prices and/or decrease expenses for snack bar operations to a level that will result in a profit being earned from this activity.

What if I have not met the net income requirements, but I am still making money for my organization's stated purposes?

(2) Any licensee that fails to achieve the minimum net return requirement for its class of license, including any variance authorized by the director, during any measurement period and maintains a positive cash flow from the bingo operation for the same period shall have its license class for the next annual license period reduced to the license class equal to the level of net return actually achieved. Provided, the license class to which the licensee is reduced must authorize at least one-half of the maximum gross gambling receipts of the current license class: Provided further, That the reduction for the first violation shall be a maximum of two license classes. A licensee limited under this section will not be granted an increase in license class until it has demonstrated the ability to maintain net return requirements at or above the minimum level for the class of license sought. Achieving net return requirements at or above the minimum level for at least two quarters, one of which may be the last quarter in the previous license year, shall be prima facie evidence of such ability;

What if I have not met the net income requirements and I am no longer contributing towards the organization's stated purposes?

(3) Any licensee that fails to achieve the minimum net return requirement during any annual measurement period

and fails to maintain a positive cash flow from the bingo operation for the same period shall be deemed to be operating primarily for gambling purposes and shall be subject to summary license suspension and license revocation; and

What if my license has been downgraded and I want to operate at a higher level again?

(4) A licensee that has had its gross gambling receipts restricted by this section may petition the commissioners for a license to operate at a higher level. Any such petition would be heard at a regular public meeting of the commission. The commission may take testimony from other parties that may be affected by approval of the petition during the hearing. The petitioner must ensure that an officer of the organization and the licensed gambling manager responsible for the bingo operation attends the public meeting and is prepared to answer questions from the commissioners and/or staff regarding the petition and bingo game operations. Any approval granted under this section may be made contingent upon future compliance or other factors as determined by the commission. In addition to the requirements set forth in WAC 230-20-060(3), petitions for relief under this section must include the following:

(a) The portion of the organization's programs that are charitable as compared to nonprofit;

(b) Income available to fund programs from other sources; and

(c) Estimated time that the maximum gross gambling receipts limit for its current license will be reached.

(5) This rule will apply to organizations with a measurement period beginning on or after January 1, 1996.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-20-062, filed 11/21/96, effective 12/22/96.]

WAC 230-20-065 Licensed bingo manager on premises. No bona fide charitable or nonprofit organization, except when operating at an authorized agricultural fair, or other special event as authorized by the commission, or under RCW 9.46.030(3), as now enacted or hereafter amended, or under a Class A or Class B or Class C license, shall operate a bingo game unless it is under the supervision of a licensed bingo manager who is on the premises at which the bingo game is licensed for operation during all hours of its operation.

[Statutory Authority: RCW 9.46.070 (11) and (17). 81-21-032 (Order 113), § 230-20-065, filed 10/15/81.]

WAC 230-20-070 Regulation of managers, operators, and other employees—Charitable or nonprofit organizations. Charitable or nonprofit organizations shall closely supervise all persons involved in the conduct of all gambling activities operated to ensure all rules of the commission are followed. The following restrictions apply to managers, operators, and other employees:

(1) Amusement games and raffles. No person other than a bona fide member of a qualified charitable or nonprofit organization shall take any part in the management or operation of, including the furnishing of equipment for amusement games, or work as an employee upon, amusement games or raffles conducted by that organization under

a license from the commission: *Provided*, That, employees of the organization on a regular or part-time basis, employed primarily for purposes other than the conduct of such activities, shall be considered members of the organization for the purposes of conducting amusement games or raffles licensed by the commission.

(2) Bingo.

(a) No person other than a bona fide member or an employee of a charitable or nonprofit organization shall take any part in the management or operation of bingo games conducted under a license issued by the commission, and no licensee shall allow any person not one of its members or employees to do so. No person other than a bona fide member of a charitable or nonprofit organization operating without a license under RCW 9.46.0321 shall take any part in the management or operation of bingo conducted by that organization and no such organization shall allow any person not one of its members to do so.

(b) No person who takes any part in the management or operation of a bingo game conducted by one licensee shall take any part in the management or operation of any bingo game conducted by any other organization, or any other branch of the same organization except under the following conditions:

(i) A person participating in the conduct of bingo games by one Class A, B, or C licensee may also participate in the conduct of bingo games by other Class A, B, or C licensees on a voluntary basis only when such person receives no remuneration for services to other licensees and when the requirements of (c) of this subsection are satisfied; or

(ii) A person participating in the operation of bingo games conducted by one licensee under any class of license may also participate in the operation of bingo games conducted by other licensees under any class of bingo license, but only when that person has no managerial or supervisory responsibilities in connection with the operation of bingo activities by any licensee and when the requirements of (c) of this subsection are satisfied. An assistant gambling manager, as defined by WAC 230-04-145(6), shall not be deemed a person having managerial or supervisory responsibilities for the purpose of this section and may participate as an hourly employee in the bingo operations of other bingo licensees.

(c) Any licensee that desires to have any person, who participates in any manner in the conduct of bingo games for another licensee, participate in the conduct of its bingo games shall notify the commission, local police officials, and any other licensees for which the person works, in writing, of the following:

(i) The name and address of that person;

(ii) The name and address of any licensees for which that person is working; and

(iii) The capacity in which that person is working for each licensee prior to the time that person participates in the conduct of the licensee's bingo games.

(d) No licensee shall allow any person to take any part in the management, supervision or operation of a bingo game except in conformance with this rule.

(3) Certain premises excepted. The limitations set forth above in (1) and (2) shall not apply to qualified agricultural fairs conducting amusement games or bingo.

[Statutory Authority: RCW 9.46.070. 95-09-062 (Order 268), § 230-20-070, filed 4/18/95, effective 5/19/95. Statutory Authority: RCW 9.46.070, 9.46.0205, 9.46.0277, 9.46.0315, 9.46.0321 and 9.46.0331. 93-17-098 (Order 243), § 230-20-070, filed 8/17/93, effective 1/1/94. Statutory Authority: RCW 9.46.070 (8) and (17). 83-23-055 (Order 138), § 230-20-070, filed 11/15/83. Statutory Authority: RCW 9.46.070(10). 80-03-060 (Order 99), § 230-20-070, filed 2/25/80; Order 68, § 230-20-070, filed 4/25/77; Order 65, § 230-20-070, filed 1/7/77; Order 53, § 230-20-070, filed 5/25/76; Order 29, § 230-20-070, filed 1/23/75; Order 14, § 230-20-070, filed 3/27/74; Order 5, § 230-20-070, filed 12/19/73, 1:25 p.m.]

WAC 230-20-090 Limits on compensation paid to members or employees. Compensation paid to persons employed to manage, operate or otherwise work at licensed bingo games shall not be in excess of that which is reasonable under the local prevailing wage scale.

Compensation paid to any person, including but not limited to, members and regular employees, shall not be in excess of that which is reasonably based upon the local prevailing wage scale, or local salary scale for a similar position.

Provided, That this rule shall not be construed to allow the payment of any wages in unlicensed bingo games conducted pursuant to chapter 9.46 RCW.

[Statutory Authority: RCW 9.46.070. 95-12-051, § 230-20-090, filed 6/2/95, effective 7/3/95; Order 53, § 230-20-090, filed 5/25/76; Order 5, § 230-20-090, filed 12/19/73, 1:25 p.m.]

WAC 230-20-101 Income from bingo games—Receipting required. All income from bingo games shall be accounted for by the licensee at the time the income is received. Each individual player shall be issued a receipt at the time of payment for the amount paid to participate in each game or set of games. This receipt shall be retained by the player as evidence that the number of cards being played have been properly purchased. Authorized methods of receipting bingo income are specific to certain license classes as follows:

(1) Class A, B, and C bingo licensees, organizations conducting bingo under the provisions of RCW 9.46.0321, and bingo activities conducted at a qualified agricultural fair may utilize the method set forth in WAC 230-08-015 or any method set forth in subsection (2) of this section; and

(2) Class D and above shall utilize the methods set forth in WAC 230-20-104, 230-20-105, 230-20-106, 230-20-107, or 230-20-108, as applicable.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (20). 96-13-067 (Order 293), § 230-20-101, filed 6/18/96, effective 7/19/96. Statutory Authority: RCW 9.46.070. 94-01-034, § 230-20-101, filed 12/6/93, effective 1/6/94; 90-24-005 (Order 218), § 230-20-101, filed 11/26/90, effective 12/27/90.]

WAC 230-20-102 Bingo prizes—Record of winners. All payments of prizes for bingo games shall be accounted for and documented in a manner that affords independent verification of the amount paid and the fact of distribution to winners: *Provided*, That Class A and B bingo licensees, organizations conducting bingo under the provisions of RCW 9.46.0321, and bingo activities conducted at a qualified agricultural fair are exempt from all portions of this rule if the requirements of WAC 230-08-015 are followed. Payment of all prizes shall be documented using the following procedures:

What are the receipting and recordkeeping requirements for bingo prizes?

(1) A prize receipt shall be completed for each prize awarded at bingo games. The following minimum information shall be recorded for each prize awarded:

- (a) The date;
- (b) The game number;
- (c) The complete name and address of the winner:

Provided, That an address of the winner is not required if prizes greater than \$300 are paid by check or a combination of cash or check and:

(i) Checks are drawn on the licensee's gambling bank account;

(ii) Checks are made payable only to the winner: *Provided*, That checks for prizes won by players under age eighteen may be made payable to the guardian or immediate family member accompanying the player;

(iii) The game number and prize receipt number are notated on the check;

(iv) Checks used are of a type that provides a duplicate copy. The copies become a part of the daily bingo records and must be maintained as such;

(v) All original checks are returned by the bank to the licensee. Original checks shall be available for inspection upon demand by the commission; and

(vi) Checks drawn on the licensee's gambling account are not cashed or otherwise redeemed by the licensee or on the licensee's premises.

(d) The dollar amount of the prize or the licensee's cost of noncash prizes;

(e) A full description of all noncash prizes;

(f) The check number, if any portion of the prize is paid by check; and

(g) The initials of the bingo worker making the payout and the cashier making the payment.

(2) Prize receipts shall be consecutively issued in an ascending order. Prize receipts bearing a number below the highest number issued during a session shall be voided and retained with the daily records.

(3) The original of each prize receipt shall be given to the winner and a duplicate copy shall be retained by the licensee as a part of its records for a period of not less than three years.

How must prize receipts be printed?

(4) Prize receipts shall be printed by a commercial printer and meet the following standards:

(a) Manufactured of two-part, self-duplicating paper that provides for an original and a duplicate copy;

(b) Imprinted with the name of the licensee and a consecutive ascending number that does not repeat in at least 100,000 occurrences: *Provided*, That Class E and smaller licensees may utilize receipts that are not imprinted with the licensee's name and which the consecutive number does not repeat in at least 1,000 occurrences; and

(c) Provide space for the licensee to record the information required by subsection (1) above.

What records must a licensee keep for the acquisition of prize receipts?

(5) All prize receipts purchased or otherwise obtained must be accounted for by the licensee. Prize receipts purchased or otherwise obtained by the licensee shall be documented on a vendor's invoice. This invoice, or a photocopy thereof, shall be maintained on the premises and available for inspection by commission staff. The following information shall be documented on the purchase invoice:

- (a) Name of the vendor;
- (b) Name of the purchasing organization;
- (c) Date of purchase;
- (d) Number of receipts purchased; and
- (e) The beginning and ending receipt number.

For progressive prize type games, how may increases to the prize pool be accrued and accounted for?

(6) Increases to the prize pool for progressive prize type games may be accrued and treated as prizes awarded during the current session if the following conditions are met:

(a) Prize receipts will be issued only when the prize is actually awarded;

(b) Full details of accrued prizes outstanding at the end of each calendar quarter, will be furnished on the licensee's activity report;

(c) Once an election is made to accrue prizes for a particular game, all increases to that prize must be accrued;

(d) Prizes must be accrued after the completion of each session in which they are increased;

(e) A reconciliation of the prize fund shall be made on each "Daily summary - Cash control" record;

(f) The amount of prize accrued shall be deposited in the gambling receipts account per WAC 230-12-020;

(g) The balance of the gambling receipts banking account shall not be reduced at any time below the amount of prizes accrued and currently being offered: *Provided*, That accrued prizes may be transferred to a special bank account, for this purpose, if the balance is maintained at a level equal to or greater than the amount of prizes accrued and currently being offered; and

(h) In the event management elects to discontinue games for which prizes have been accrued, the operator shall amend all activity reports and tax returns previously submitted to reflect the actual prizes awarded.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-20-102, filed 11/21/96, effective 12/22/96. Statutory Authority: Chapter 9.46 RCW. 91-21-053 (Order 228), § 230-20-102, filed 10/15/91, effective 11/15/91. Statutory Authority: RCW 9.46.070. 90-24-005 (Order 218), § 230-20-102, filed 11/26/90, effective 12/27/90.]

WAC 230-20-103 Bingo cards to be sold upon the premises—Exceptions. Bingo cards shall be sold upon the licensed premises during or immediately preceding the session for which the cards are intended for play: *Provided*, That licensees may sell an entry guarantee to persons desiring to reserve the right to participate in special bingo games. Such shall not be deemed sales of bingo cards for purposes of this title if licensees comply with the following restrictions:

(1) Tickets shall not be sold prior to sixty days in advance of the event;

(2) Tickets must be used to document the sale of an entry guarantee. The following procedures and requirements apply to tickets used to document sale of entry guarantees:

(a) All requirements of WAC 230-20-101 (2)(a), (b), (c), and (d) shall be followed; and

(b) The following information must be imprinted on the tickets:

(i) The name of the organization sponsoring the event;

(ii) The time, date, and location of the event;

(iii) The total number of tickets available for the event;

(iv) The value of the ticket; and

(v) Any conditions or contingencies related to redemption of the ticket, refunds, or cancellation of the event;

(3) The licensee shall record the name, mailing address, and phone number of each person purchasing an entry guarantee;

(4) The number of tickets sold shall not exceed the seating capacity of the premises;

(5) The value of an entry guarantee ticket shall not exceed fifty percent of the minimum "buy-in" for the event;

(6) Entry guarantee tickets shall be controlled as follows:

(a) All unaccounted for tickets shall be treated as a cash shortage at the redemption value;

(b) A record shall be maintained of all ticket disbursements;

(c) Tickets shall only be redeemed for bingo cards upon the licensed premises during the session noted on the ticket;

(d) Tickets redeemed for bingo cards shall be immediately cancelled by use of a hand stamp that imprints "REDEEMED" on each ticket;

(e) Tickets redeemed shall be treated as gross gambling receipts for bingo at the session they are redeemed, and the daily bingo records shall be modified in the cash reconciliation section of the approved record format to document the number and dollar value of tickets redeemed; and

(f) Gross receipts from the sale of tickets shall be deposited separately into the gambling account no later than two banking days after receipt. The ticket numbers relating to the funds deposited shall be a part of the deposit record;

(7) An event may be cancelled any time prior to the start of the scheduled bingo session. When an event is cancelled, the following procedures must be followed:

(a) The entire purchase price of the tickets must be refunded to the customer;

(b) All refunds must be made by check payable to the ticket purchaser. The ticket number must be recorded on the check; and

(c) The check must be mailed to the customer no later than three days following cancellation of the event;

(8) Licensees must refund the entire purchase price to a customer requesting such prior to the start of the scheduled bingo session. The following procedures and restrictions apply to refunds:

(a) Refunds must be made no later than thirty days following the event. After thirty days, all unredeemed tickets shall be considered void and recorded as contributions to the organization;

(b) All refunds must be made by check payable to the ticket purchaser. The ticket number must be recorded on the check;

(c) The person receiving the refund shall sign the back of the ticket; and

(d) All refunded tickets shall be retained as a part of the records for the event.

(9) Bingo licensees may sell gift certificates to persons desiring to give them to a potential player for use at a future date. The requirements set forth in WAC 230-20-115 apply when selling gift certificates.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (16), (20). 96-07-078, § 230-20-103, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070. 94-16-008 (Order 254), § 230-20-103, filed 7/20/94, effective 8/20/94.]

WAC 230-20-104 Cash register method of receipting bingo income. A cash register receipt may be used to document receipt of bingo income as long as the following requirements and standards are met:

(1) Cash registers used must perform the following functions or meet the following standards:

(a) Have sufficient keys to record separately each type of sale as required by WAC 230-08-080;

(b) Store and compute a total for each type of sale recorded and must be capable of providing such upon request;

(c) The memory unit of electronic cash registers must retain all transactions recorded during a session, regardless of whether or not its power source is interrupted;

(d) Record all transactions, customer receipt numbers, and control totals on the internal tape retained in the cash register. The internal tape, showing these transactions, shall be retained with the daily records of the licensee for a period of not less than three years; and

(e) The cash register must assign and imprint on the customer receipt and internal tape a minimum four-digit consecutive number for every sales transaction processed. This numbering system must be of a type that can only be reset by service personnel and does not return to zero at the conclusion of any period of use or power interruption: *Provided*, That a cash register not meeting the requirements of this subsection but having adequate alternative control features may be used if written commission approval is received before use; and

(f) Cash registers used to record receipts for Class D and above licensees shall also imprint a minimum three-digit consecutive number on the customer receipt and internal tape to notate each time transactions are totaled or when a set of transactions are totaled and closed: *Provided*, That a cash register not meeting the requirements of this subsection but having adequate alternative control features may be used if written commission approval is received before use;

(2) The customer receipt must be imprinted with the following information:

(a) The name of the licensee operating the activity;

(b) The date;

(c) The amount of money paid for the opportunity to play each type of game;

(d) The total amount of money paid; and

(e) The consecutive customer receipt number;

(3) All cash register receipts for voids, overrings, returns, "no sales" and any other receipts not issued to a player must be retained with the daily bingo records;

(4) The internal cash register tapes from all uses other than bingo income receipting shall be retained by the licensee for not less than three years and be available for commission staff review upon request.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (20). 96-13-067 (Order 293), § 230-20-104, filed 6/18/96, effective 7/19/96.]

WAC 230-20-105 Ticket method of receipting bingo income. Tickets may be used for receipting of bingo income received under the following conditions:

(1) All tickets must be manufactured by a commercial printer and imprinted with the following information:

(a) A consecutive number of at least four digits: *Provided*, That Class F and above licensees must utilize tickets with numbers that do not repeat in at least 99,999 occurrences;

(b) The dollar value or the amount of money represented by each ticket on a roll shall represent the same specific amount of money; and

(c) Class F and above bingo licensees - The name of the licensee operating the bingo game;

(2) Use of tickets for receipting bingo income is restricted as follows:

(a) Any class of licensee - Tickets may be used to receipt for games authorized by WAC 230-20-242(1);

(b) Class E and below licensees - Tickets may be used to receipt for the following games:

(i) Games utilizing hard cards; and

(ii) Bonus games as described in WAC 230-20-246 (8)(c); and

(c) Class F and above licensees - Tickets may be used to receipt for bonus games as described in WAC 230-20-246 (8)(c) when a part of a combination receipting method set forth in WAC 230-20-108;

(3) All tickets utilized by Class F or above licensees must be purchased from a licensed distributor or manufacturer;

(4) Tickets shall be issued consecutively from each roll, starting with the lowest numbered ticket;

(5) All tickets purchased or otherwise obtained must be accounted for by the licensee. If purchased from a commercial business or licensed distributor, documentation must be on the sales invoice. This invoice, or a photo-copy, shall be maintained on the premises and available for inspection. The following information shall be documented on the sales invoice for each roll of tickets purchased:

(a) Name of distributor;

(b) Name of purchasing licensee;

(c) Date of purchase;

(d) Number of rolls of tickets purchased; and

(e) The color, dollar value, total number of tickets, and beginning ticket number for each roll;

(6) An inventory record, in a format prescribed by the commission, shall be maintained for all tickets on the premises used for income receipting of any type or for conducting bingo games authorized by WAC 230-20-242. All information regarding any tickets received by a licensee shall be entered in the inventory record before the beginning of the next bingo occasion. The following information must be recorded for each roll of tickets:

(a) The date each roll of tickets is purchased or obtained by the licensee;

(b) The purchase invoice number;

(c) The color;

(d) The dollar value of the tickets;

(e) The beginning ticket number;

(f) The total number of tickets on each roll; and

(g) The initials of the individual making the entry into the inventory record;

(7) The licensee shall record the following information for each separate roll of tickets in the daily records for each bingo session:

(a) The color;

(b) The value of each ticket;

(c) The lowest numbered ticket issued as a receipt;

(d) The highest numbered ticket issued as a receipt; and

(e) The total gross receipts from the game;

(8) Any ticket, not issued as a receipt during a session, that bears a number falling below the highest numbered ticket issued during that session, shall not be used to receipt for any type of income by the licensee and must be retained by the licensee as a part of its daily records; and

(9) No licensee shall have tickets that are the same color and imprinted with the same ticket number on its premises.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (20). 96-13-067 (Order 293), § 230-20-105, filed 6/18/96, effective 7/19/96.]

WAC 230-20-106 Electronically generated bingo card method of receipting bingo income. Electronically generated bingo cards may be used to document receipting of bingo income: *Provided*, That if the sales transaction and issuance of cards to the customer are not completed and documented concurrently, the combination receipting method authorized in WAC 230-20-108 must be used. If electronically generated bingo cards are used as receipts, the following conditions must be met:

(1) For purposes of this title, "electronically generated bingo cards" means bingo cards or faces whose specific numbers or symbols and the sequence in which the numbers or symbols are arranged on the cards or faces has been predetermined by a licensed manufacturer and stored in electronic storage devices or data bases and accessed by computer;

(2) All cards must be printed on the premises of the licensed bingo operator, during the occasion in which the cards are intended for use, by means of a printer interfaced with the computer, and meet the requirements of WAC 230-20-240;

(3) If printed prior to the time of sale to a player, cards or sheets of cards must be sold consecutively at each individual sales point, beginning with the lowest card, sheet, or transaction number assigned. Cards or sheets of cards, which are not issued consecutively during a session, that have an audit number that is lower than the highest audit number issued as a receipt must be retained by the licensee as a part of their daily bingo records for at least one year;

(4) Requirements of WAC 230-20-192 (3) and (12) apply to these cards;

(5) Cards used in player selection games, authorized by WAC 230-20-241, must be printed on two-part, self-duplicating paper and include an original and a duplicate copy:

Provided, That a single copy card may be used if all data imprinted on the card is either imprinted on a continuous printed transaction journal retained in the card generating device or stored in the computer data base and printed out at the end of each session. The original must be given to the player and the duplicate copy will be retained by the operator as a part of the daily bingo records;

(6) All transactions recorded during a bingo session must be summarized and printed in the form of a permanent record at the end of each session. This record shall provide the following information:

- (a) The beginning and ending card number;
- (b) The beginning and ending transaction number;
- (c) The total number of cards sold;
- (d) The total number of sales transactions;
- (e) The total dollar amount of sales for each type of sale;
- (f) The total dollar amount of sales; and
- (g) The number and dollar amount of all voids, overruns, or sale returns;

(7) All electronically generated cards or sheets of cards must be imprinted with an audit system that includes at least the following information:

- (a) Each card must be assigned a card number, as defined by WAC 230-20-192 (2)(b);
- (b) Each sheet of cards must be assigned a consecutive transaction number that does not repeat in less than 999,999 transactions;

- (c) The name of the licensee operating the activity;
- (d) The time and date of the transaction;
- (e) The game number;
- (f) The amount of money paid for the opportunity to play each game: *Provided*, That if the combination receipting method authorized by WAC 230-20-108 is used to receipt for income, the customer receipt number may be substituted for this requirement;

- (g) The total amount of money paid; and
- (h) The numbers and symbols and the card number assigned by the manufacturer or, if printed for use in "player selection games" authorized by WAC 230-20-241, the bingo numbers selected by the player;

(8) An electronic device used to store bingo cards and interface with a printer for providing such to players must contain the following controls:

- (a) A record of all transactions occurring during a session must be retained in memory until the transactions have been totaled, printed, and cleared by the operator, regardless of whether or not the unit's primary power source is interrupted;

- (b) The ability to compute a total of all transactions occurring during the current session and to print out such upon request;

- (c) The circuitry and programs that maintain and control the time and date of sale and transaction number, must be secured in a manner that prohibits change or resetting except by the manufacturer or qualified service personnel. A detailed record, supported by service documents shall be retained for each service call involving a change of the time, date, or transaction number; and

- (d) The electronically stored bingo cards must be secured in a manner that prevents an operator or player from modifying them. Cards issued to a player shall not be

exchanged, transferred, refunded, or the price modified in any manner after completion of the sales transaction. Cards must be stored on erasable programmable read only memory (EPROM), compact disc read only memory (CDROM), write once read many disc drives (WORM), or other systems approved by the commission.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (20). 96-13-067 (Order 293), § 230-20-106, filed 6/18/96, effective 7/19/96.]

WAC 230-20-107 Disposable (throwaway) bingo card method for receipting bingo income. The disposable bingo card method must be used to receipt for bingo income when disposable bingo cards are used. When utilizing the disposable bingo card method, the following requirements must be met:

(1) Cards must meet all requirements of WAC 230-20-192;

(2) The inventory control record required by WAC 230-08-105 must be completed;

(3) Cards or sheets of cards intended for playing a single game, including on-the-way games - the following shall be recorded for each set of cards:

- (a) Serial number;
- (b) The color and/or border pattern;
- (c) The value of each card or sheet;
- (d) The lowest consecutive card or sheet number issued as a receipt;

- (e) The last card or sheet number issued as a receipt;
- (f) Missing cards or sheets per the manufacturer's packing record;

- (g) The number of cards returned and not issued;
- (h) The number of cards issued as receipts; and
- (i) The total gross gambling receipts from all cards issued as receipts;

(4) Packets sold and intended for playing a defined set of games within a session - the following shall be recorded for each set or collation of packs or packets of cards:

- (a) The serial number of the top sheet or page of the packet;

- (b) The color and/or border pattern of the top sheet or page of the packet;

- (c) The lowest consecutive card, sheet, or packet number for the first packet issued as a receipt;

- (d) The card, sheet, or packet number of the last or highest packet issued as a receipt;

- (e) The number of packets issued as receipts;
- (f) The number of packets returned and not issued;

- (g) Missing packets per the manufacturer's packing record;

- (h) The value of each packet; and
- (i) The total gross receipts from all packets issued as receipts;

(5) Each disposable card, or sheet or packet of cards, from the same set or collation shall be consecutively issued at each individual sales point. Each card, or sheet or packet of cards, which were not issued consecutively during a session, and the audit number is lower than the highest audit number issued as a receipt, shall be retained by the licensee for a period of not less than one year: *Provided*, That cards, or sheets or packets of cards, required by this subsection to

be retained may be sold at the next bingo session that the specific set of cards is used; and

(6) Disposable cards issued for each type of sale shall be recorded separately as required by WAC 230-08-080. When more than one card or sheet number appears on a sheet of cards, the audit system designated by the manufacturer shall be used to determine the beginning and ending number sold. Each time the numbering of the sheets breaks in the set, a separate entry shall be made in the records.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (20). 96-13-067 (Order 293), § 230-20-107, filed 6/18/96, effective 7/19/96.]

WAC 230-20-108 Combination receipting method of receipting bingo income—Procedures. A system utilizing a combination of cash register receipting and another approved method of receipting may be used to receipt for bingo income. The following conditions and procedures apply to the use of the combination receipting method:

(1) This method must be used by Class F and above licensees receipting for bingo income from the following types of sales:

(a) Disposable bingo card packets;

(b) Disposable bingo card sheets from a set of bingo cards divided into subgroups;

(c) Electronically generated bingo cards, if sales transactions and issuance of cards are not completed and documented concurrently; and

(d) Bonus games as described in WAC 230-20-246 (8)(c);

(2) All requirements for cash register receipting set forth in WAC 230-20-104 shall be followed;

(3) If receipting for the sale of disposable bingo cards:

(a) All requirements of WAC 230-20-107 must be followed;

(b) Each packet of cards from a collation of bingo card packets or each sheet of cards from a set of bingo card sheets shall be consecutively issued at each individual sales point. Each packet, sheet of cards, or card which was not issued consecutively during a session, and whose audit number is lower than the highest audit number issued, shall be retained by the licensee for a period of not less than one year: *Provided*, That if collations or sets are divided into subgroups as authorized by WAC 230-08-105(5), then packets or sheet of cards within each subgroup must be issued consecutively from each subgroup: *Provided further*, That packets or sheets of cards required to be retained by this subsection may be sold during the next bingo session that the specific collation or series is used; and

(c) The information required by WAC 230-08-105 must be recorded in the inventory control record; and

(d) The totals from the transaction record shall be carried forward to the "daily bingo summary" and reconciled to sales per the cash register record;

(4) If receipting for electronically generated bingo cards:

(a) All requirements of electrically generated bingo card receipting as set forth in WAC 230-20-106 must be followed; and

(b) The totals from the transaction record shall be carried forward to the "daily bingo summary" and reconciled to sales per the cash register record; and

(5) If receipting for bonus games as described in WAC 230-20-246 (8)(c):

(a) All requirements of ticket receipting as set forth in WAC 230-20-105 must be followed;

(b) Tickets must be issued consecutively from each sales point. Tickets at each sales point with audit numbers lower than the highest ticket issued at that sales point shall be retained as a part of the daily bingo records for a period of not less than one year; and

(c) The totals from the transaction record shall be carried forward to the "daily bingo summary" and reconciled to sales per the cash register record.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (20). 96-13-067 (Order 293), § 230-20-108, filed 6/18/96, effective 7/19/96.]

WAC 230-20-110 Prohibited practices. (1)(a) No charitable or nonprofit organizations shall operate or conduct any gambling activity on or within any leased premises if rental under such lease is to be paid, wholly or partly, on the basis of a percentage of the receipts or net profits derived from the operation of such activity,

(b) Nor shall the rental under such lease exceed the usual rental for such premises in the same locality,

(c) Nor shall any such organization fail to devote the entire net income of any gambling activity exclusively to the lawful purpose of the organization.

(2) No charitable or nonprofit organization shall hold or conduct any gambling activity if the compensation to any person taking part in the management or operation of such activity is based upon a percentage of the receipts or income derived from the operation of such game. The payment to such persons of compensation which is other than reasonable under the local prevailing wage scale for employment of a comparable nature shall create a presumption of a violation of this subsection.

[Statutory Authority: RCW 9.46.070 (1), (10) and (13). 80-03-059 (Order 98), § 230-20-110, filed 2/25/80; Order 5, § 230-20-110, filed 12/19/73, 1:25 p.m.]

WAC 230-20-111 Promotional activities—Performances as gifts—Advance approval required. In order to preserve the integrity and image of the charitable and nonprofit bingo industry, promotional activities including performances to entertain bingo patrons shall be deemed a promotional gift and subject to the monetary restrictions of WAC 230-20-242. For the purpose of this rule, a performance includes any show, comedy act, skit, play, dance, or similar activities, whether live or recorded, and whether or not consideration is paid or not paid to the performers of such activities.

(1) An organization that plans to offer any performance before, during, or after any bingo session shall present a written detailed outline of such and shall secure approval by the director of the commission prior to conducting the performance. The organization shall, in writing, request a review by the director at least sixty days in advance of the scheduled date of the performance.

(2) The director shall review the subject matter of the proposed performance and shall not approve any such performance which in the director's opinion is contrary to

the public interest of preserving the integrity of charitable bingo.

(3) If the director denies a request to conduct a performance, the organization may request a review by the commission within thirty days of the decision. The decision of the commission shall be final.

[Statutory Authority: RCW 9.46.070, 94-07-084 (Order 250), § 230-20-111, filed 3/16/94, effective 4/16/94; 93-15-041 (Order 242), § 230-20-111, filed 7/14/93, effective 8/14/93.]

WAC 230-20-115 Gift certificates—Requirements.

Gift certificates may be sold or issued as prizes during bingo games and such shall not be deemed sales of bingo cards for purposes of this title if licensees comply with the following restrictions:

(1) If sold, gift certificates shall be paid for in full at the time they are issued;

(2) Gross receipts from the sale of certificates shall be deposited separately into the gambling account no later than five banking days after receipt. The certificate numbers relating to the funds deposited shall be a part of the deposit record;

(3) For gift certificates awarded as prizes, the value of the certificate is recorded as a bingo prize on the daily bingo records for the sessions in which the certificate was issued. The certificate will be supported by a bingo prize receipt;

(4) Gift certificates shall be purchased from a commercial printer or licensed distributor and shall be prenumbered, consecutively issued, and have a predetermined value with the following information imprinted:

(a) The name of the organization issuing the certificate;

(b) The date issued and an expiration date no later than three months from the date issued for awarded certificates; and one year for sold certificates;

(c) The dollar value of the certificate; and

(d) Any conditions or contingencies related to redemption of the certificate;

(5) If given as a prize, the value of the certificate shall be no more than forty dollars U.S. currency;

(6) Certificates shall only be redeemed for bingo cards, food, drink, merchandise, punchboards or pull tabs upon the licensed premises from which it was issued;

(7) Certificates redeemed shall be applied against bingo activity and daily bingo records shall be modified in the cash reconciliation section of the approved record format to document the number and dollar value of certificates redeemed;

(8) A reconciliation of gift certificate inventory to certificates issued shall be performed on a monthly basis and will include the following control features:

(a) Purchase invoices will be retained for gift certificates and they will include the organization name, date of purchase, and beginning and ending certificate numbers;

(b) Redeemed certificates will be maintained with the corresponding daily sales records;

(c) Certificates not redeemed within the expiration date shall be properly accounted for as a donation; and

(d) A certificate log will be maintained and will include the following:

(i) Certificate number;

(ii) Certificate value;

(iii) Date of issue;

(iv) Expiration date;

(v) Date of redemption; and

(vi) If awarded as a prize, the session and date the prize is awarded.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (16), (20), 96-07-078, § 230-20-115, filed 3/19/96, effective 7/1/96.]

WAC 230-20-120 No free food or beverages to be provided at bingo games—Exceptions. Class D or above bingo licensees shall not provide food or beverages to players for free, or for a consideration which is less than the current normal and usual retail price in the city or county in which the gambling activity is operated. Licensees that fail to meet minimum net return requirements of WAC 230-20-059, Table 1, and operate a snack bar at a net operating loss may be deemed to be in violation of this section.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075, 96-24-008 (Order 303), § 230-20-120, filed 11/21/96, effective 12/22/96; Order 12, § 230-20-120, filed 2/14/74.]

WAC 230-20-125 Discounts and promotional gifts—Authorized—Limits. To increase profits from bingo games and enhance the entertainment aspect of such, licensees may conduct limited promotional activities. The following restrictions and procedures apply to promotional activities conducted as a part of bingo games:

What general restrictions apply to discounts and promotions for bingo?

(1) Licensees may promote bingo games by providing players discounts or gifts of nominal value on up to eight occasions annually under the following conditions:

(a) Licensees may offer players discounts or reductions in the price to play bingo for purposes of evaluating the effectiveness of advertising of bingo games if:

(i) Discounts are only awarded to players that present a coupon that was issued by the licensee for a specific date and session;

(ii) Coupons shall not be available on the licensed premises: Provided, That this section does not prevent the sale of newspapers in which such coupons are printed on the licensed premises;

(iii) Coupons are printed in newspapers or similar media that are normally sold or delivered to an individual's residence;

(iv) The discount does not exceed fifty percent of the minimum cost to play or three dollars, whichever is less;

(v) Any conditions or restrictions of the discount are disclosed in all advertisements offering the discount; and

(vi) Records required by subsection (2) of this section are maintained.

(b) Licensees may award promotional gifts to players if:

(i) Only merchandise gifts with a cost to the licensee of no more than three dollars per gift are awarded;

(ii) The gifts are treated as prizes; and

(iii) A record is completed for each session setting out the criterion for selecting the recipients, the number of gifts, and total cost of the gifts.

What are the general receipting and recordkeeping requirements for discounts and promotional gifts?

(2) Licensees shall use the combination receipting method set forth in WAC 230-20-108 to record discounts awarded by this section. All discounts shall be recorded on the cash register receipt during the sales transaction;

(3) Records must be maintained as a part of the daily bingo records that provide full details of each discount or gift awarded. All discounts must be reconciled to sales and cash on the "Bingo daily record-Cash control" record. Such records must include at least the following details:

- (a) Time and date of the activity;
- (b) Full description of the activity, including any conditions or restrictions;
- (c) A copy of all advertisements for such promotions; and
- (d) All coupons or "frequent player" cards redeemed which shall include the name, address, and birth date of customers redeeming such.

What restrictions apply to special recognition "birthday gifts?"

(4) Licensees may provide special recognition gifts to players during the calendar week of their birthday. These gifts are excluded from the eight occasion limitation if the following requirements are met:

- (a) Such gifts shall not exceed a value of three dollars;
- (b) The recipient's name and date of birth are recorded; and
- (c) These gifts are treated as prizes and applicable records are maintained.

What restrictions, and receipting and recordkeeping requirements apply to "frequent player" promotions?

(5) Licensees may promote bingo games by offering incentives to players which are based on the customer participating in games for a specific number of sessions or for spending a specific dollar amount to play bingo over a period of time if:

- (a) These "frequent player" incentives shall be redeemed only for promotional marketing gifts, whose cost does not exceed one half of one percent of the dollar amount spent by the player through the licensee's cash register receipting method of sales;
- (b) These incentives shall be accumulated in the form of "credits" or "points" that equate to a specified number of dollars spent by the player;
- (c) Such credits or points shall have no cash or partial redemption value;
- (d) Players shall be informed of any expiration date of points or credits earned;
- (e) The licensee shall develop a control system to account for points or credits issued, redeemed, or expired. Credits or points shall be controlled by issuing points at the time of cash register receipting method sale and recorded either with a computer-based tracking system or approved manual system. The following conditions apply to accumulation records:

(i) If cards are used, cards shall meet all of the requirements set forth for tickets used for receipting for bingo income in WAC 230-20-104 and the recording of credits on such cards shall be accomplished by means under control of the licensee, such as stamps, punches, employee initials, etc.; and

(ii) Computer-based records used to record points shall be approved by the commission staff.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-20-125, filed 11/21/96, effective 12/22/96.]

WAC 230-20-130 Operation of bingo upon retail business—Conditions. (1) Bingo games shall not be operated upon a premises part of a retail sales or service business catering to the public except:

(a) When the room or other portion of the premises in which the bingo games are being conducted is separate and apart from the portion being used for the retail sales or service business. The area of the premises being used for bingo shall be separated from the area of the premises being used for the retail business, at minimum, by a transparent or solid barrier not less than seven feet high with no more than two openings between the two areas. Each such opening shall be no more than six feet in width; or

(b) When the business is closed to the public at all times during which the bingo games are conducted on the premises; or

(c) When the bingo games are being conducted upon the premises of a bona fide charitable or bona fide nonprofit organization which is not also being used for a profit seeking business.

(2) In all cases the bingo operator must have, and exercise, complete control over that portion of the premises being used for bingo, at all times said games are being played: *Provided, however,* That at all times when the sale, service or consumption of intoxicating liquor is permitted in said portion of the premises, the responsibility for compliance with liquor laws and regulations shall also be that of the liquor licensee or permittee.

(3) The operator of a retail sales or service business shall limit his operation of pull tabs to that portion of the premises actually being used for such retail business and open to the public. He shall not operate pull tabs in the area of the premises being used by a bona fide charitable or bona fide nonprofit organization to conduct bingo. The retail operator shall not be deemed to have operated pull tabs in the bingo area solely because the pull tab players may take them into that area, if the tabs are selected and purchased by the players, and prizes determined and paid, in the area used for the retail business.

(4) The owner, manager or any employee of the retail sales or service establishment may not be an officer of the bingo operation or participate in the operation of the bingo games on that premises.

[Statutory Authority: RCW 9.46.070. 95-09-064 (Order 269), § 230-20-130, filed 4/18/95, effective 5/19/95. Statutory Authority: RCW 9.46.070 (1) and (10). 80-06-038 (Order 102), § 230-20-130, filed 5/12/80; Order 68, § 230-20-130, filed 4/25/77; Order 53, § 230-20-130, filed 5/25/76; Order 27, § 230-20-130, filed 11/15/74.]

WAC 230-20-170 Bingo operation time and use of premises limitations. Bona fide charitable or nonprofit organizations, except when operating at an authorized agricultural fair or under RCW 9.46.0321, shall abide by the following restrictions when operating bingo games:

(1) Use of premises limitations: Charitable or nonprofit organizations shall not:

(a) Conduct or allow its premises to be used for conducting bingo on more than three occasions per week; or

(b) Conduct bingo in any location used by any other organization to conduct bingo which results in bingo games being conducted on more than three occasions per week at the same location.

(2) Time limitations:

(a) A bingo occasion may include as many bingo sessions a licensee desires, but shall not last more than eighteen consecutive hours.

(b) A bingo occasion shall not begin or end between the hours of 2:00 a.m. and 6:00 a.m.: *Provided*, That the director may allow an occasion to end up to 4:00 a.m. as long as the following conditions remain in effect:

(i) Local law enforcement agency with jurisdiction concurs; and

(ii) If applicable, other state agencies involved in regulating the charitable or nonprofit organization's activities, including, but not limited to, the liquor control board, do not object.

[Statutory Authority: RCW 9.46.070 (1), (8), (9), (11), (13), (14), (20). 95-23-091, § 230-20-170, filed 11/20/95, effective 1/1/96. Statutory Authority: RCW 9.46.070. 95-12-051, § 230-20-170, filed 6/2/95, effective 7/3/95. Statutory Authority: RCW 9.46.070 (1), (7), (11), (14) and (17). 83-21-073 (Order 137), § 230-20-170, filed 10/18/83. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 83-13-050 (Order 134), § 230-20-170, filed 6/14/83; Order 53, § 230-20-170, filed 5/25/76; Order 15, § 230-20-170, filed 4/17/74; Order 5, § 230-20-170, filed 12/19/73, 1:25 p.m.]

WAC 230-20-190 Bingo card prices. No person shall be allowed to play in a bingo game conducted by Class D or higher licensee for free or without first paying the licensee's normal and usual charge, except as authorized by WAC 230-20-125. Class A, B, or C licensees allowing free play shall develop house rules governing such. These rules shall be in writing and available for review by commission staff, local law enforcement, or taxing authorities upon request.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-20-190, filed 11/21/96, effective 12/22/96. Statutory Authority: RCW 9.46.070. 95-12-051, § 230-20-190, filed 6/2/95, effective 7/3/95; Order 53, § 230-20-190, filed 5/25/76; Order 12, § 230-20-190, filed 2/14/74; Order 5, § 230-20-190, filed 12/19/73, 1:25 p.m.]

WAC 230-20-192 Standards for disposable bingo cards—Definitions. Disposable bingo cards sold for use in the state of Washington after December 31, 1993, shall be manufactured and controlled using processes and procedures that ensure integrity of the activity and facilitates regulation by the commission. Manufacturers of disposable bingo cards shall comply with the following requirements:

(1) Manufacturers shall establish quality control procedures necessary to ensure manufacturing processes, including collating of cards into packs or packets, meet the requirements of this section. Quality control procedures shall be documented and provided to commission staff upon request;

(2) For purposes of this title, the following definitions apply:

(a) "Card" or "face" means a unique group and configuration of numbers or symbols imprinted on paper, cardboard, or other materials, and designed to be used to conduct bingo games;

(b) "Card number" means the number assigned by the manufacturer to identify a single card or face. A "card number" may also be referred to as a "face" or "perm" number;

(c) "Collate" means the process of cutting and/or assembling master sheets or precut sheets of cards from one or more sets of cards into packets or books for marketing purposes. "Collate" may also be referred to as "finish" or "finishing";

(d) "Collation" means a group of packets or books of cards assembled from more than one set of cards;

(e) "Consecutively numbered" means a numbering system normally beginning with the number one, increased by one for each individual unit added to the group, and ending with a number identical to the total number of units assigned to that group;

(f) "Cut" means the layout or orientation of cards or sheets of cards subdivided from a master sheet of cards or faces. A "cut" will be either square, horizontal, or vertical;

(g) "Disposable bingo card" means a nonreusable paper bingo card manufactured by a licensed manufacturer;

(h) "Duplicate cards" means two or more cards that are imprinted with the same numbers or symbols, regardless of the configuration or location of such numbers or symbols on the card;

(i) "On" means the number of cards or faces imprinted on a sheet or "cut." The term is normally preceded by the number of cards;

(j) "Pack" or "packet" means a group of cards or sheets of cards collated into a book when each page or sheet in the book is intended for use to play a separate bingo game, including "on-the-way" games, within a session;

(k) "Product line" means a specific type of card, identifiable by features or characteristics that are unique when compared to other types of cards marketed by the manufacturer. A "product line" includes all series and all cards within each series as identified by the manufacturer;

(l) "Serial number" means a number assigned to a set of cards by a manufacturer for identification and tracking purposes when the same number is not used to identify another set of cards from the same product line, color, border pattern, and series in less than 999,999 occurrences or twelve months, whichever occurs first: *Provided*, That if the product line is used as a determining factor for assignment of a serial number, the difference between various product lines must be readily identifiable by observation;

(m) "Series" of cards means a specific group of cards or faces that have been assigned consecutive card or face numbers by a manufacturer. Series are typically identified by the first and last card number in the group of cards, such as "1 to 9000 series";

(n) "Set" of cards means a specific group of cards from the same product line, which are the same color, border pattern, and imprinted with the same serial number. A "set" of cards may include more than one series of cards or faces;

(o) "Sheet number" means the number assigned by the manufacturer to identify an arrangement of more than one card that results from dividing master sheets of cards to facilitate marketing;

(p) "Skip" means the standard spread or difference between card or sheet numbers at different page levels in packs or packets;

(q) "Subset" means a portion of a set of cards or collation of packets that has been divided by a licensed distributor to facilitate marketing; and

(r) "Up" means the number of pages or sheets collated into each packet or book of cards. The term is normally preceded by the number of pages or sheets.

(3) Each card or face in a particular type or product line must be imprinted with a unique set of numbers or symbols and configuration of numbers or symbols. Duplicate cards within a specific product line are prohibited. Manufacturers of disposable bingo cards are responsible for ensuring that there are no duplicate cards in a set or collation of cards sold to distributors or operators: *Provided*, That duplicate cards can be collated into packets if they are located at different page levels in the packets and intended only for use during separate games, including "on-the-way" games, within a session. If a manufacturer discovers a duplicate card error or is notified of such by the commission staff or a licensee, it shall immediately comply with the following steps:

(a) Stop marketing the product line containing duplicate cards in Washington;

(b) Recall all sets of cards and/or collations of packets or books containing duplicate cards at the same page level;

(c) Take steps to correct manufacturing or collating processes necessary to ensure duplicate cards are not sold to operators, and inform the commission in writing regarding steps taken;

(d) Reimburse all operators who submit a claim for prizes paid as a result of selling sets or collations containing duplicate cards when such claim has been validated by commission staff; and

(e) Reimburse the commission for all cost incurred investigating duplicate card complaints that result in findings that the error was caused by manufacturers.

(4) Packets of cards must be collated so that each page of the packet:

(a) Is from a different set of cards;

(b) Has skips that are consistent throughout the entire collation and contains cards that are different when compared to other cards or faces in the pack or packet; and

(c) Has a different color or border pattern.

(5) Each set must include an audit system that allows identification of that specific set and each specific card within that set, allows tracking of the transfer of cards from the point of manufacture to operators, and facilitates sale by the operator to the player: *Provided*, That audit systems that accomplish regulatory requirements using alternative controls may be approved by the commission staff. The audit system shall meet the following requirements:

(a) Each set of cards manufactured as a specific product line, using the same color and border pattern, will be assigned a unique serial number by the manufacturer. The serial number must be imprinted on each card or face;

(b) Each card or face must be identified by a card number imprinted on the face of the card: *Provided*, That cards used in "player selection" games, authorized by WAC 230-20-241, are exempted from this requirement if an alternative control numbering system is used; and

(c) Each sheet of cards within a set must be consecutively numbered: *Provided*, That sheets of cards do not have to be numbered if alternative audit controls are available and disclosed to the operator.

(6) Each set of cards or collation of packets of cards shall be sold intact as a single unit: *Provided*, That for ease of marketing to Class E and below operators and to operators of authorized unlicensed activities, distributors may divide sets or collations as authorized below:

(a) Cartons or packages assembled by manufacturers can not be opened prior to sale to an operator, except that distributors may open cartons or packages as authorized below:

(i) At an operator's request to change the "on," "up," and "cut." When such modification is made, the distributor shall be responsible for resealing the carton and noting all changes on the packing label;

(ii) To provide cards to Class A or B bingo games and for unlicensed activities authorized by RCW 9.46.0321 or 9.46.0355; and

(iii) To provide cards to individuals for noncommercial recreational activities.

(b) Subsets must contain at least one carton or package: *Provided*, That cartons or packages may be broken and cards sold in smaller quantities under conditions described in subsection (6)(a) (i) and (ii) of this section; and

(c) Subsets of cards used for "hidden face" bingo games must contain at least one thousand cards or sheets of cards.

(7) In addition to the requirements of subsections (1) through (6) of this section, cards sold to operators for use in the operation of "hidden face" bingo games, authorized by WAC 230-20-243, must meet the following requirements:

(a) Each card or sheet of cards must be printed, folded, and sealed in a manner that prohibits determination of numbers or symbols, configurations of such on the card, or the card number prior to opening by the player;

(b) Each card or sheet of cards must have a separate numbering system that is randomly distributed when compared to the card number imprinted in the "free" space. Manufacturers must utilize procedures that mix cards or sheets of cards in a manner that ensures no consistent relationship exists between the "card numbers" and separate numbering system within a set or subset and that there are no patterns or consistent relationships of the location of a specific card number between subsets from different sets;

(c) The serial number and the additional card or sheet number, required by (b) of this subsection, must be imprinted on the outside of the cards or sheets of cards and visible for recording without opening the card or sheet of cards; and

(d) Each set of cards must contain at least six thousand unique faces or patterns of numbers or symbols.

(8) In addition to the requirements of subsections (1) through (6) of this section, cards sold to operators for use in "player selection" bingo games, authorized by WAC 230-20-241, must be printed on two-part, self-duplicating paper that provides an original and duplicate copy;

(9) A packing record must be completed for each set of cards or collation of packets and either enclosed inside or in an envelope attached to the carton or package. If the marketing unit contains more than one carton or package, the packing record must be located on carton or package number one. The packing record must include at least the following:

(a) Name of manufacturer;

(b) Description of product, including the "series," "on," "cut," and "up";

(c) Records entry labels that match the identification and inspection services stamp attached to the packing label on the outside of the carton or package;

(d) Serial number or, if packets, serial number of the top page;

(e) Color and border pattern or, if packets, colors and border patterns of all sets and the sequence they are collated in the packet; and

(f) A record of any missing cards, sheets of cards, or packets.

(10) Each separate packing or marketing unit containing a set of cards or collation of packets of cards must be identified in a manner that allows determination of the contents without opening the package. If the marketing unit contains more than one case or carton, each unit shall be labeled and numbered. Minimum information to be disclosed on each carton or package:

(a) The identification and inspection services stamp number;

(b) Serial number or, if packets, serial number of the top page;

(c) Color and border pattern or, if packets, color and border pattern of the top page; and

(d) Number of the carton and the total number of cartons included in the marketing unit.

(11) Sets of cards, collations of packets, or any other marketing units established by a manufacturer shall be complete and contain the correct number of cards or packets and the specific cards or packets noted on the packing slip: *Provided*, That up to one percent of the cards in the set may be missing if all missing cards, sheets, or packets are documented on the packing record enclosed in carton or package number one of the marketing unit; and

(12) To provide the commission and operators the ability to verify the authenticity of winning cards, each manufacturer shall prepare and make available a master verification system for each type or product line of cards it manufactures. This master verification system shall provide a facsimile of each card within a set of cards by the card number. The master verification system shall display the exact numbers or symbols and the location or configuration of numbers or symbols on the card.

[Statutory Authority: RCW 9.46.070. 94-01-033, § 230-20-192, filed 12/6/93, effective 1/6/94.]

WAC 230-20-210 Age limit for bingo. No person who is under the age of eighteen shall participate, nor shall be allowed to participate in any manner in the operation of any bingo game. No person who is under the age of eighteen years shall play, nor shall be allowed to play in any bingo game, unless that person is accompanied by a member of his immediate family, or guardian, who is not younger than eighteen years of age. For the purposes of this rule, "guardian" means, and is limited to, an individual appointed by a court of law as the legal guardian of the subject person. For the purposes of this rule, "immediate family" means, and is limited to, the subject individual's spouse, children, parents, and grandparents.

It shall be the responsibility of the licensee and of those persons physically operating the bingo game to determine that no unauthorized person is allowed to participate in any

manner in the operation of or play in any bingo game: *Provided*, That the age limit herein set forth shall not apply to bingo games lawfully conducted at an agricultural fair or school carnival.

[Statutory Authority: RCW 9.46.070(10). 80-05-060 (Order 101), § 230-20-210, filed 4/21/80; Order 63, § 230-20-210, filed 12/3/76; Order 15, § 230-20-210, filed 4/17/74; Order 9, § 230-20-210, filed 12/19/73, 1:26 p.m.; Order 5, § 230-20-210, filed 12/19/73, 1:25 p.m.]

WAC 230-20-220 Operators shall not play. No operator shall allow a person who receives any compensation, directly or indirectly, for the operation of, any bingo game conducted by the operator to play in a bingo game conducted by that operator.

No operator shall allow any person who, without payment, assists in the operation of any bingo game conducted by that operator to play in any bingo game conducted by that operator on the same bingo occasion. However, the second paragraph of this rule shall not apply to Class A, B, and C bingo licensees, or to games operating under the authority of chapter 9.46 RCW.

[Statutory Authority: RCW 9.46.070. 95-12-051, § 230-20-220, filed 6/2/95, effective 7/3/95; 94-07-084 (Order 250), § 230-20-220, filed 3/16/94, effective 4/16/94. Statutory Authority: RCW 9.46.070 (11) and (14). 82-01-065 and 82-03-033 (Order 115 and 116), § 230-20-220, filed 12/18/81 and 1/18/82; Order 65, § 230-20-220, filed 1/7/77; Order 53, § 230-20-220, filed 5/25/76; Order 5, § 230-20-220, filed 12/19/73, 1:25 p.m.]

WAC 230-20-230 Free games for winners—Restrictions. On only four occasions per year, a licensee may award free cards, or any opportunity to play in a bingo game, to a person as a prize for, or conditioned upon, winning a bingo game or games. *Provided*, those bingo games conducted under the authority of a Class A, B or C license or games conducted without a license under RCW 9.46.0321 may award free games without restrictions on the number of occasions. The restrictions set forth in WAC 230-20-115 will apply when awarding gift certificates that may include free games for winners.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (16), (20). 96-07-078, § 230-20-230, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070. 94-07-084 (Order 250), § 230-20-230, filed 3/16/94, effective 4/16/94; Order 53, § 230-20-230, filed 5/25/76; Order 12, § 230-20-230, filed 2/14/74; Order 5, § 230-20-230, filed 12/19/73, 1:25 p.m.]

WAC 230-20-240 Bingo equipment to be used. The conduct of bingo must include the following required items:

(1) A mechanical device that uses air flow for mixing and randomly withdrawing balls to determine the letters and numbers or symbols to be called must be utilized by all Class D and above operators. This device shall be constructed in the following manner:

(a) It will allow participants full view of the mixing action of the balls; and

(b) The operation cannot be interrupted to change the random placement of the balls at the exit receptacle of the device, except when the device is shut off as allowed by WAC 230-20-246;

(2) A set of seventy-five balls bearing the numbers one through seventy-five and the letters B, I, N, G, or O. The following additional requirements regarding bingo balls must be met:

(a) The entire set of balls shall be available for inspection by the players before a bingo session begins to determine that all are present and in operating condition;

(b) Each numbered ball shall be the same weight as each of the other balls and free from any defects; and

(c) Each set of balls in play must be distinguishable from all other sets of balls in play;

(3) Flashboards shall be utilized to display numbers called at all Class D and above bingo games. They must be visible to all players and clearly indicate all numbers that have been called: *Provided*, That malfunctions occurring during a bingo occasion need not be repaired during that occasion, but must be repaired before use on any other occasion;

(4) Bingo cards must be preprinted, manufactured cards that meet the following standards:

(a) Have twenty-five spaces, one of which may be a free space, arranged in five even columns headed with the letters B, I, N, G, and O, and except for the free space, imprinted with numbers and symbols: *Provided*, That bingo cards used for conducting player selection games are exempt from the requirements of this subsection if the requirements of WAC 230-20-241 are followed;

(b) Be manufactured by a licensed manufacturer: *Provided*, That electronically generated bingo cards authorized by WAC 230-20-106 may be produced by the operator using a printer interfaced with an electronic data base system: *Provided further*, That cards used in player selection games may be manufactured by unlicensed manufacturers if:

(i) The primary activity of such manufacturer is producing nongambling products;

(ii) Cards must meet the requirements of WAC 230-20-192 and 230-20-241. The licensee that initially purchases such cards from the unlicensed manufacturer shall assume responsibility for compliance with all commission requirements;

(iii) In addition to the requirements set out in WAC 230-08-024 and 230-08-040, the invoice transferring these cards must include the beginning card number. If an operator purchases such cards directly from an unlicensed manufacturer, the operator shall assume responsibility for compliance with this requirement.

(c) All disposable bingo cards must meet the requirements of WAC 230-20-192; and

(d) Electronically generated cards and supporting equipment must meet the requirements of WAC 230-20-106;

(5) Effective January 1, 1997, all Class F and above bingo licensees shall conduct bingo games using disposable bingo cards or electronically generated cards. All income must be receipted for by using the audit system required by WAC 230-20-192 in conjunction with appropriate receipting system required by WAC 230-20-106, 230-20-107, or 230-20-108;

(6) Duplicate cards, as defined in WAC 230-20-192, are prohibited in the operation of bingo games conducted by Class D or above licensees. Operators are advised that conducting games using cards manufactured by different manufacturers may result in duplicate cards being placed in play and that the majority of cards in the "1 to 9000 series" are duplicate, regardless of the manufacturer. Duplicate card violations that result from use of cards from different

manufacturers shall be the responsibility of the operator: *Provided*, That this section shall not apply to braille cards, authorized by WAC 230-20-246(4), if the operator takes steps to prevent duplicate cards and informs players regarding limitations to prizes when winners have duplicate cards because braille cards are being played;

(7) If duplicate cards are inadvertently sold at bingo games conducted by Class D or above licensees, the following procedures and restrictions apply:

(a) If all winners with duplicate cards are paid the entire prize amount that would be due if there were no duplicate cards, the licensee shall not be deemed to be in violation of this section;

(b) The amount of the prize for games with winners having duplicate cards shall be computed and paid using the following guidelines:

(i) Games that provide a bonus for a single winner - If all winners have duplicate cards then all winners shall be paid the bonus;

(ii) Games that result in multiple winners, some of which are players with duplicate cards - The split of the prize pool will be computed by counting all duplicate card winners as one. After the prize pool split is computed using this method, all winners will be paid according to the computed prize split;

(iii) If the prize pool contains noncash or merchandise prizes, the amount added to the prize pool for computing the split shall be the licensee's cost or retail value, whichever is posted in the game schedule: *Provided*, That manufacturers shall not be responsible for increases to the prize pool required by this subsection; and

(iv) If the prize is greater than one thousand dollars, the operator shall not be required to increase the total prize pool by more than fifty percent or five thousand dollars, whichever is less: *Provided*, That this limitation shall only be authorized once within a twelve-month period. If this limitation has been used within the last twelve months, the full prize amount shall be paid to all holders of duplicate cards;

(c) Increases to prize pools as a result of duplicate card errors, for which the manufacturer is responsible, may be deducted from prize payouts for computing compliance with WAC 230-20-064;

(d) Details of circumstances that resulted in duplicate cards being sold shall be documented and maintained as a part of the daily bingo record for the session;

(e) The commission shall be notified within forty-eight hours after discovery of a duplicate card error if:

(i) Caused by manufacturer printing, packaging, or collation errors; or

(ii) Any player winning with a duplicate card was not paid the entire prize amount;

(f) Licensees shall pursue reimbursement of all prizes paid due to errors from the manufacturer responsible for such errors.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (20). 96-13-067 (Order 293), § 230-20-240, filed 6/18/96, effective 7/19/96. Statutory Authority: RCW 9.46.070. 95-19-070, § 230-20-240, filed 9/18/95, effective 1/1/96; 94-01-033, § 230-20-240, filed 12/6/93, effective 1/6/94; 90-24-005 (Order 218), § 230-20-240, filed 11/26/90, effective 12/27/90. Statutory Authority: RCW 9.46.070 (11) and (14). 88-17-050 (Order 182), § 230-20-240, filed 8/16/88. Statutory Authority: RCW 9.46.020 (1) and (10) and 9.46.070 (3), (11) and (14). 86-09-036 (Order 157), § 230-20-240,

filed 4/11/86. Statutory Authority: RCW 9.46.070 (5), (6), (8), (10) and (11). 84-01-026 (Order 139), § 230-20-240, filed 12/12/83. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 83-13-050 (Order 134), § 230-20-240, filed 6/14/83.]

WAC 230-20-241 Player selection games. A licensee may offer bingo games in which players are allowed to select their own numbers if the following conditions are met:

(1) The cards used to conduct the games must have controls that provide an audit trail adequate to determine all winning combinations are valid. The following types of cards are authorized:

(a) Two-part disposable cards may be used if the following conditions are met:

(i) The cards are printed on two-part, self-duplicating paper that provides for an original and a duplicate copy;

(ii) The disposable card method of receipting for income per WAC 230-20-107 is used;

(iii) Players shall mark their numbers on each card in a distinct, clear, and legible manner prior to separation of the duplicate and original. No alterations are allowed after separation of the duplicate and original cards. Operators shall establish and set forth in plain view, house rules setting out any conditions by which an entry may be added, deleted or changed prior to separation. Any such changes must be verified by a worker authorized by the bingo manager;

(iv) All original cards shall be placed in containers that shall be physically locked and controlled to assure no cards are placed in the container after the first bingo ball is called; and

(v) The player retains and plays the duplicate copy; and

(b) Electronically generated cards may be used if the following conditions are met:

(i) The electronically generated bingo card method of receipting for income per WAC 230-20-106 is used;

(ii) Players do not mark or deface the card in any manner that prevents reading of the bingo numbers or any of the data imprinted on the card as set out in WAC 230-20-106;

(2) The following restrictions apply to prizes awarded for player selection games:

(a) "Instant winner" prizes may not exceed twenty-five percent of the total prize pool or two hundred fifty dollars, whichever is less; and

(b) In addition to the requirements of WAC 230-20-102 and 230-20-246, a winning card of two hundred fifty dollars or more shall be verified by the winner's signature on the back of the card: *Provided*, That if a two-part card, allowed by subsection (1)(a) of this section, is used, the verifying neutral player's name and complete address must be recorded on the back of the original card;

(3) All winning cards and the duplicate copies, if required, shall be retained by the operator as a part of its daily bingo records; and

(4) Incomplete cards, cards with alterations that were not verified per subsection (1)(a)(iii) of this section, and cards for which all required imprinted data is not displayed and legible shall not be paid as winners. Incomplete, incorrect, altered, and unreadable cards are the players' responsibility and refunds shall not be allowed: *Provided*, That a one-for-one exchange may be made by the game management in cases where errors are discovered prior to the

start of the game or before the duplicate and original sheets have been separated. In this case the operator will mark "VOID" on the original, initial next to the players initials, and maintain the replaced card with the daily bingo records.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (20). 96-13-067 (Order 293), § 230-20-241, filed 6/18/96, effective 7/19/96. Statutory Authority: RCW 9.46.070. 94-01-033, § 230-20-241, filed 12/6/93, effective 1/6/94; 90-24-005 (Order 218), § 230-20-241, filed 11/26/90, effective 12/27/90. Statutory Authority: RCW 9.46.070 (11) and (14). 88-17-050 (Order 182), § 230-20-241, filed 8/16/88.]

WAC 230-20-242 Activities conducted as a part of bingo games—Authorization—Restrictions.

What activities are authorized for consideration as part of a bingo game?

(1) The following activities are authorized:

(a) *Drawings.*

(b) *Creativity and originality contests.* A competition to determine the best costume, flower arrangement, cake decorating, ugliest tie, or other activities requiring skill or original thought.

(c) *"Good neighbor" schemes.* Prizes are awarded based upon the seating location of a player(s) in regards to the winner of a bingo game.

(d) *Second element of chance schemes.* An additional chance is offered to win an increased minimum bingo game after the winner(s) of the game has been determined by calling numbers and symbols.

(e) *Birthday bonus schemes.* Prizes are awarded to a player who wins a bingo game during the same calendar week in which the player's birthday occurs.

What general restrictions apply to the awarding of prizes for these activities?

(2) Bingo licensees may award prizes to winners of activities authorized by this section when such activities are conducted as a part of bingo games. Such activities shall be deemed to be bingo games if all players paying to participate are allowed to compete equally and all prizes awarded are treated as bingo game prizes for purposes of compliance with WAC 230-20-059.

What additional restrictions apply to drawings?

(3) Drawings. Each licensee shall be allowed to award prizes that are determined by a random drawing of tickets or by other random selection methods involving the numbering system on such tickets if the requirements of WAC 230-20-105 are followed and:

(a) All rules regarding these drawings, including requirements to qualify for participation, time and date of the drawing, and whether a player must be present to win are clearly posted and distinctly explained to the players;

(b) Tickets or other facsimiles used to enter such drawings are awarded only to players purchasing cards to play in bingo games;

(c) Tickets, from which the winners of any such drawing are selected, shall not be accumulated for a period that is longer than thirty days. Drawings may be conducted using tickets that accumulate during any bingo occasion, week, or any other period that does not exceed thirty consecutive days;

(d) Licensees may restrict the awarding of tickets to players that are:

- (i) Winners of bingo games;
- (ii) "Good neighbors"; or
- (iii) Other players that meet predetermined specific requirements;

(e) The criterion for granting tickets, and the number of tickets awarded during each session, shall be recorded in the daily bingo record for each session. All winning tickets and other records shall be maintained as a part of the daily bingo records.

What additional restrictions apply to creativity and originality contests?

(4) Creativity and originality contests. A bingo licensee may conduct contests in which players may demonstrate their creativity and originality skills on up to eight occasions annually. The following rules must be observed in conducting these contests:

- (a) The total value of prizes shall not exceed five hundred dollars during any occasion;
- (b) Only players who have paid to participate in bingo games during the current session may participate in the contest; and
- (c) A record shall be completed for each contest setting out the criterion for selecting the winners, the number of participants in the contest, and all details required by WAC 230-08-080 and 230-20-102. Such records shall be maintained as a part of the daily bingo records.

What additional restrictions apply to "good neighbor" schemes?

(5) "Good neighbor" prize schemes. A licensee may award prizes based upon the seating location of a player or players in regards to a winner of a bingo game. The following requirements must be observed prior to awarding "good neighbor" prizes:

- (a) All rules regarding these prizes, including the amount to be awarded to each "good neighbor" or group of "good neighbors" and all requirements to qualify for a prize, must be clearly posted and distinctly explained to the players; and
- (b) A record shall be completed setting out the criterion for awarding such prizes, the number of such prizes awarded during each session, and all details required by WAC 230-08-080 and 230-20-102. Such record shall be maintained as a part of the daily bingo records.

What additional restrictions apply to second element of chance schemes?

(6) Second element of chance schemes. Licensees may use these schemes to increase the minimum prize for a bingo game after the winner(s) of the game has been determined by calling numbers and symbols if:

- (a) The schemes do not involve the use of gambling devices specifically prohibited by public policy or commission rules;
- (b) A player's minimum odds of winning the highest prize is equal to or greater than one winner out of one hundred twenty-five chances or the probability of winning the highest prize is .008 or greater;

(c) The scheme does not require the player to risk any portion of a prize already won;

(d) Every possible outcome of the scheme provides the player with an additional prize;

(e) All rules regarding play of the game are clearly posted and distinctly explained to the players. At least the following information shall be disclosed:

- (i) The players minimum odds of winning the highest prize;
 - (ii) How a winner is determined;
 - (iii) Any contingencies or special requirements that may affect the outcome;
 - (iv) The cash value of the highest prize available; and
 - (v) Any financial burden that must be borne by the winner, such as taxes or registration fees.
- (f) All requirements of WAC 230-20-010 are met before cards are purchased; and
- (g) The scheme and supporting records contain control factors necessary for commission audit.

What additional restrictions apply to birthday bonus prizes?

(7) Birthday bonus prizes. Licensees may offer birthday bonus prizes subject to the following restrictions:

- (a) The maximum bonus prize is fifty dollars;
- (b) The player's birthday must be within the calendar week that the winning combination occurred and the bonus is paid;
- (c) A licensee may award only one birthday bonus to any player during any calendar year;
- (d) In addition to all requirements of WAC 230-20-102, the prize receipt for such prizes must include:
 - (i) The address of the winner;
 - (ii) The player's date of birth; and
 - (iii) The type of identification provided by the player to verify the winner's date of birth.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-20-242, filed 11/21/96, effective 12/22/96. Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (20), 96-13-067 (Order 293), § 230-20-242, filed 6/18/96, effective 7/19/96. Statutory Authority: Chapter 9.46 RCW. 94-24-055 (Order 263), § 230-20-242, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070, 93-13-062 (Order 240), § 230-20-242, filed 6/17/93, effective 7/18/93.]

WAC 230-20-243 Hidden face bingo games.

Licensees may play bingo games that allow cards to be sold after numbers or symbols have been selected and called if the numbers or symbols imprinted on the cards can not be determined by any means prior to being opened by the player. The following restrictions apply to games involving hidden face bingo cards:

- (1) Cards meeting the requirements of WAC 230-20-192 must be used;
- (2) The disposable bingo card receipting method (WAC 230-20-101(4)) must be used to receipt for sales of these cards and all inventory requirements set out in WAC 230-08-105 apply;
- (3) To ensure that duplicate cards are not sold during a game, strict compliance with consecutive issuance of cards must be followed and each complete set and/or subset of cards must be sold in its entirety prior to issuance of any cards from a different set and/or subset: *Provided*, That cards

from more than one set may be sold during a game if care is taken to ensure that duplicate cards are not sold;

(4) All play must be completed during a single session and only involve cards that are sold during that session;

(5) A new set of numbers or symbols shall be selected and called for each game or set of games if "on-the-way" games are played. Players that have paid to participate in the game must be present when the numbers or symbols are selected;

(6) The licensee must have a separate display board, visible to the players, for displaying numbers called. The numbers must be constantly displayed until the game is completed: *Provided*, That for purposes of this section, alternative displays may be utilized in lieu of a flashboard, as required by WAC 230-20-240, if the numbers are displayed on the electronic flashboard during all number selection periods; and

(7) The requirements of what constitutes a completed game must be documented and clearly posted for player review.

[Statutory Authority: RCW 9.46.070. 94-01-033, § 230-20-243, filed 12/6/93, effective 1/6/94.]

WAC 230-20-244 Electronic bingo card daubers—
Definition—Operating restriction—Standards. The commission deems that any device, apparatus, or scheme that allows a player in any gambling activity a material advantage over other players is against public policy and restriction of such is in the public's interest. Electronic bingo card marking devices or daubers are deemed to provide a player a material advantage unless operated in accordance with subsection (2) of this section. For purposes of this title, the following definitions, restrictions, and standards apply to such devices:

(1) Electronic bingo card daubers are defined as electronic appliances used by players to identify bingo cards that contain numbers or symbols input by a player. These devices electronically store preprinted bingo cards purchased by a player, provide a means for players to input numbers or symbols called by the operator, compare the numbers or symbols input by the player to bingo cards previously stored in an electronic data base, and identify to the player those stored bingo cards that contain the numbers or symbols input by the player: *Provided*, That player-owned devices, which are not directly interfaced with or connected to equipment used to conduct bingo games or the electronic data base in which electronically generated bingo cards are stored in any manner, are not "electronic bingo card daubers" for purposes of this title;

(2) Electronic bingo card daubers will not be deemed to provide players a material advantage and may be used by players in bingo games when operated in the following manner:

(a) The player must perform at least the following functions:

(i) Input each number or symbol called by the operator into the memory of the dauber unit by use of a separate input function for each number symbol. Automatic or global marking of numbers or symbols is prohibited;

(ii) Notify the operator when a winning pattern or "bingo" occurs by means that do not utilize the dauber unit or the associated system; and

(iii) Identify the winning card and display the card to the operator;

(b) Each player using an electronic dauber is limited to playing a maximum of sixty-six cards during any game;

(c) Operators shall not reserve electronic daubers for any player. An operator must devise and disclose to players a scheme for assignment of dauber units to players during each session. Such schemes shall allow all players an equal opportunity to utilize the available dauber units. If a drawing is used to assign dauber units to players, the operator shall ensure that each player participating in the drawing has an equal chance to win: *Provided*, That operators that offer electronic dauber units shall reserve at least one device for players with disabilities that would restrict their ability to mark cards and such disabilities are consistent with definitions set forth in the Americans with Disabilities Act (ADA). If there are no requests for use of this unit prior to fifteen minutes before the scheduled start of the session, it may be made available for use by any players;

(d) If operators charge players a fee for use of the electronic daubers, such fees must be a flat fee and shall not be based on the number or dollar value of cards purchased. Fees charged shall be treated as rental income and may be used to reduce any expenses of operating these devices for compliance with net income requirements. Rental fees shall be considered bingo receipts for purposes of WAC 230-12-020: *Provided*, That players with disabilities that would restrict their ability to mark cards and such disabilities are consistent with the ADA shall not be required to pay a rental fee or to comply with minimum purchase requirements imposed on all players utilizing electronic daubers. Such players are required to comply with any minimum purchase requirement imposed on all players by an operator;

(e) Each player utilizing an electronic dauber must have in their possession cards that meet all requirements of WAC 230-20-240 and 230-20-101(3). Electronic images of cards or faces stored in such devices are for player convenience only and are not bingo cards for purposes of this title;

(f) If the electronic daubers are leased to an operator, the lease cannot be based in whole or part on the amount of bingo card sales or rental income derived from such devices; and

(g) The use of electronic daubers is prohibited when a licensee utilizes any marketing scheme for cards that results in a decrease in the per unit price of each card as the number of cards purchased increases: *Provided*, That a single discount level is authorized for each type of card sold if:

(i) The licensee has a minimum purchase requirement;

(ii) The discount applies to all additional cards purchased; and

(iii) "All you can play" schemes are prohibited;

(3) Electronic bingo card daubers must meet the following standards:

(a) Be manufactured by licensed manufacturers;

(b) Be sold, leased, and serviced by licensed distributors or manufacturers: *Provided*, That operators may perform routine maintenance on devices under their control;

(c) Not be capable of accessing the electronic computer system in any manner that would allow modification of the program which operates and controls the dauber units or the cards stored in the electronic data base; and

(d) Be capable of complying with applicable requirements of WAC 230-20-101(3).

[Statutory Authority: RCW 9.46.070. 94-17-090 (Order 255), § 230-20-244, filed 8/16/94, effective 9/16/94.]

WAC 230-20-246 Manner of conducting bingo. The conducting of a bingo game shall include, but is not limited to, the following rules:

(1) All sales of bingo cards shall take place upon the licensed premises during or immediately preceding the session for which the card is being sold;

(2) Bingo cards shall be sold and paid for prior to selection of the first symbol or number for a specified game or specified number of games: *Provided*, That cards may be sold after the start of a game, or number of games, if the late sale does not allow any player an advantage over any other player. Hard cards purchased or exchanged after the first symbol or number is selected may only be used during subsequent games. Any sales method that allows a player to select a specific disposable or throwaway card shall be deemed to allow the player an advantage;

(3) No operator shall reserve, or allow to be reserved, any bingo card for use by players: *Provided*, That braille cards or other cards for use by visually impaired or disabled players may be reserved. Visually impaired players may use their personal braille cards when a licensee does not provide such cards. The licensee shall have the right to inspect, and to reject, any personal braille card. A visually impaired or disabled person may use a braille card or reserved hard card in place of a purchased throwaway;

(4) All cards sold to participate for a specific prize or set of prizes shall be sold for the same price and be distinct and readily distinguished from all other cards in play: *Provided*, That similar cards used to participate for the same prize or set of prizes may be sold at a discount which is based solely on volume if each separate discount price is recorded using a separate sales identification code and records provide for an audit trail;

(5) All symbols or numbers shall be selected on the premises and in the presence of players paying to participate in the game. Immediately following the drawing of each ball in a bingo game, the caller shall display the symbol or number on the ball to the participants;

(6) The symbol or number on the ball shall be called out prior to the drawing of any other ball;

(7) After the symbol or number is called, the corresponding symbol or number on the licensee's flashboard, if any, shall be lit for participant viewing. In a game where a symbol or number on the ball is not applicable to the game being played, it is not necessary to call that symbol or number to the participants before placing it for viewing on the flashboard;

(8) A game ends when a specific pattern has been achieved by a player or a specific number of symbols or numbers has been called. Each game shall be played using a separate selection process: *Provided*, That the same or a

continuing selection process may be used to play the following games:

(a) Interim or "on-the-way" games, including "instant winner" games in which winners are determined by matching a predetermined number of symbols or numbers to balls called, or by matching a predetermined pattern within an established number of calls;

(b) Games for which cards are sold for different prices and players win a different prize depending on the price they pay to play; and

(c) Bonus games which are games played concurrently with other bingo games and the winner is determined by a player calling a valid bingo which includes a predetermined or preselected number or symbol;

(9) No bingo game shall be conducted to include a prize determined other than by the matching of symbols or numbers on a bingo card with symbols or numbers called by the licensee, except as authorized by WAC 230-20-242. All persons who have paid to participate in the game are competing for a specific prize or a portion of a prize pool. If a prize pool has been designated and more than one player achieves a winning pattern at the same time, all such players shall be considered the winner and a portion of the prize pool shall be equally divided among all players achieving the same winning pattern;

(10) The minimum amount of an individual prize, prize pool, or portion of a prize pool available for each bingo game shall be established and disclosed to bingo game players prior to their purchase of a chance to participate in a bingo game. The minimum prize may be increased by the gambling manager before the start of a game or through the following schemes during the game:

(a) Schemes using standard bingo equipment and cards such as:

(i) Number of symbols or numbers called before a player achieving a winning combination;

(ii) The specific symbol or number called;

(iii) The specific letter called;

(iv) Position of winning combinations on the card;

(v) Position of the card on the sheet of cards;

(vi) Odd or even symbol or numbers; and

(vii) The number of symbols or numbers matched within a specific number of calls;

(b) Schemes preprinted on disposable cards that rely on a number or symbol called during a game; or

(c) Second element of chance schemes authorized by WAC 230-20-242(4).

(11) Immediately upon a bingo player declaring a winning combination of symbols or numbers, the winning card shall be verified by a game employee and at least one neutral player: *Provided*, That games played as "instant winners" and awarding fifty dollars or less do not need to be verified by a neutral player if an audit trail is maintained including a method which identifies the winning combination of numbers, symbols, or patterns and the numbers, symbols, or patterns called;

(12) Upon a bingo player declaring a winning bingo, the next ball out of the machine shall be removed from the machine prior to shutting the machine off and shall be the next ball to be called in the event the declared winning bingo is not valid;

(13) After a winning bingo is validated, the prize shall be awarded using the following procedures:

(a) Each winner shall be required to provide proof that they have purchased the winning bingo card. The licensee shall review the prize winner's income receipt and determine that the player has properly purchased all cards played during the games, including the winning card;

(b) Each prize winner shall be positively identified. The licensee shall require such proof of identification as is necessary to establish the prize winner's identity prior to paying any prize. The winner is responsible for furnishing proof to the licensee that all information required by this rule is true and accurate. Prizes may be withheld until the winner has provided adequate identification;

(c) The prize shall be awarded and a record made by completing a prize receipt as required by WAC 230-08-080 and 230-20-102. A complete address and tax payer identification number should be recorded for each prize valued at \$1,200 or more;

(d) All prizes for a particular game must be available prior to starting the game and shall be awarded by the end of the related session;

(e) All merchandise offered as prizes to bingo players shall have been paid in full, without lien or interest of others, prior to the merchandise being offered as a prize: *Provided*, That the licensee may enter into a contract to immediately purchase the merchandise when it is awarded as a prize, with the contract revocable if prize winners are allowed to exercise an option to receive a cash prize or the prize is no longer offered;

(14) No operator shall engage in any act, practice, or course of operation as would operate as a fraud to affect the outcome of any bingo game.

[Statutory Authority: RCW 9.46.070 (1), (8) - (11), (14), (20). 96-13-067 (Order 293), § 230-20-246, filed 6/18/96, effective 7/19/96. Statutory Authority: RCW 9.46.070. 94-18-013 (Order 257), § 230-20-246, filed 8/25/94, effective 9/25/94; 93-13-062 (Order 240), § 230-20-246, filed 6/17/93, effective 7/18/93. Statutory Authority: Chapter 9.46 RCW. 91-21-053 (Order 228), § 230-20-246, filed 10/15/91, effective 11/15/91. Statutory Authority: RCW 9.46.070. 90-24-005 (Order 218), § 230-20-246, filed 11/26/90, effective 12/27/90. Statutory Authority: RCW 9.46.070 (11) and (14). 89-17-056 (Order 196), § 230-20-246, filed 8/15/89, effective 9/15/89. Statutory Authority: RCW 9.46.020 (1) and (10) and 9.46.070 (3), (11) and (14). 86-09-036 (Order 157), § 230-20-246, filed 4/11/86. Statutory Authority: RCW 9.46.030 (2) and (3) and 9.46.070 (11) and (14). 83-19-024 (Order 136), § 230-20-246, filed 9/13/83.]

WAC 230-20-247 Keno bingo—Definitions and requirements. Beginning August 1, 1996, Bingo licensees may play "keno bingo" games in which the players compete for portions of a prize pool based on matching the player selected bingo numbers with a specified number of balls called. The following definitions and requirements apply to keno bingo games:

(1) Definitions:

(a) A "way" is defined as a grouping of the numbers selected by players and documented on a single keno bingo card. Each "way" is a different possible winning combination;

(b) "Low tier prizes" are prizes worth fifty dollars or less;

(c) "Middle tier prizes" are prizes worth more than fifty dollars, but not more than \$1,000; and

(d) "High tier prizes" are prizes worth more than one thousand dollars.

(e) A "player selection form" is a single copy of a keno bingo card which displays all seventy-five numbers. The player utilizes this form to select their numbers. In no case shall the player selection form be substituted for a completed keno bingo card.

(2) Keno bingo card requirements:

(a) Keno bingo cards must be printed on two-part, self-duplicating paper that provides for an original and a duplicate copy;

(b) The standards for disposable bingo cards as defined in WAC 230-20-192 are followed; and

(c) Cards must have seventy-five spaces numbered one to seventy-five.

(3) Operational restrictions:

(a) Licensees may offer a maximum of six different priced keno bingo card sets for play at any one time;

(b) Keno bingo players may play a maximum of five "ways" per card. Each way must be clearly distinguishable and noted by an alphabetical reference. Each number picked cannot be used in more than two ways.

(c) Players must pick a minimum of two and a maximum of eight numbers per card;

(d) Maximum price per way is three dollars; and

(e) Maximum total price per keno bingo card is fifteen dollars.

(4) Receipting requirements. The licensee must use combination receipting as set forth in WAC 230-20-108 (3) and (4), in addition to the following requirements:

(a) The time and date of sale must be recorded on the cash register receipt;

(b) Voided keno bingo cards must have the word "void" stamped or written on the bingo card and must be signed by a bingo worker and the bingo manager and retained with the daily keno bingo records for that keno bingo session; and

(c) If electronically-generated bingo cards are used, the electronic bingo card must include the time and date the card was issued.

(d) All receipting records shall be totaled and closed out before starting sales for the next keno bingo game.

(5) Manner of conducting keno bingo:

(a) Players shall mark the numbers they select on a player selection form. The player selection form shall be given to a bingo worker along with the dollar amount of the card purchased. A bingo worker shall complete a keno bingo card using the numbers selected on the player selection form. The original bingo card shall then be placed in a separate lock box designated for that series. The duplicate copy shall be returned to the player along with the corresponding cash register receipt. Upon receiving the keno bingo card from the bingo worker, the player shall be responsible for determining the accuracy of the card.

(b) At least five minutes before the drawing of the keno bingo number, card sales shall cease and cash registers shall be subtotaled. The bingo licensee shall make an announcement notifying players when sales have been closed for each game. The time sales are closed and the cash register subtotaled shall be recorded immediately on the daily keno bingo record for each keno bingo game.

(c) All keno bingo cards shall be placed in a lock box before the first keno bingo number is drawn. The gambling

manager shall then close the box and record the time on the daily bingo record for the keno bingo session.

(d) Operators shall draw twenty of the seventy-five bingo balls.

(e) Refunds shall not be allowed: *Provided*, that a one-for-one exchange may be made by the operator in cases where errors are discovered before the lock box is closed. The procedures to be followed when making such exchanges include:

(i) The player must initial the card; and

(ii) The operator must follow the voided card requirements.

(6) **Determining winners, awarding and receipting prizes:** Upon determination of a winning card, the player shall present their duplicate copy of the original winning card and the cash register receipt to a bingo worker. The original bingo card shall be retrieved from the lock box and reviewed to determine if it is a winner. Upon determination of a winner, the prize shall be computed and the winner positively identified as set forth under WAC 230-20-246 (14)(b). Winning cards must be presented and prizes paid as follows:

(a) Prize payouts may not exceed amounts listed on a director approved keno bingo payout schedule available from any commission office upon request.

(b) Low tier prizes shall be paid before the end of the keno bingo session. An announcement shall be made notifying players of their last opportunity to turn in winning low tier cards.

(c) All middle and high tier prizes shall be claimed before the start of the next game and paid before the end of the keno bingo session. The licensee shall set a time limit for middle and high tier winners to present their winning cards and cash register receipts in order to determine whether the maximum total prize pool will be exceeded. An announcement shall be made notifying players of their last opportunity to turn in winning middle and high tier cards.

(d) The maximum total middle and high tier prizes that may be awarded per game is twenty thousand dollars. If this limit is exceeded, middle and high tier winners shall divide the prize as provided by WAC 230-20-246(9).

(e) A prize receipt shall be prepared and issued for all prizes awarded over ten dollars.

(f) Prize winners shall print their name and date of birth on all winning cards and the bingo worker shall initial the card.

(g) All high tier winning cards shall be verified by a neutral player and a licensed gambling manager. Upon verification, the manager and neutral player shall sign the winning card.

(7) **Keno bingo record keeping requirements:** A separate bingo daily record shall be maintained for keno bingo games. In addition to the requirements of WAC 230-08-080, the licensee must also:

(a) Maintain a call record for every game which includes the time the first number was drawn, the numbers called, and the sequence numbers were called;

(b) Make a separate deposit. The deposit receipt shall be maintained with keno bingo session records;

(c) Use a separate series of prize receipts that indicate keno bingo and meet the requirements of WAC 230-20-102;

(d) Retain all winning cards and cash register receipts for middle and high tier prizes; and

(e) If a shift change is made during a keno bingo session, a bank reconciliation must be performed and signed by the workers.

(8) **Required disclosures to players:** Operators shall develop and post house rules that disclose at a minimum the following information:

(a) A keno bingo schedule, including when the keno bingo session begins and ends;

(b) Time limits on claiming prizes, including what constitutes the end of the session;

(c) That the player is responsible to ensure the accuracy of the numbers recorded on their card;

(d) That the player is responsible to ensure cards are purchased before the start of the game; and

(e) Prizes offered and prize limitations.

(f) The player selection forms shall include the players' responsibility to ensure the accuracy of the numbers recorded on the bingo card and all house rules relating to keno bingo.

[Statutory Authority: RCW 9.46.070 (1), (11), (13), (14), (20). 96-15-064 (Order 298), § 230-20-247, filed 7/17/96, effective 8/1/96.]

WAC 230-20-248 Loteria authorized—Class A licensees only. (1) Loteria is a type of bingo that utilizes symbols or pictures on playing cards instead of the normal 75 balls with numbers. The symbols or pictures are further identified with spanish subtitles and each of the 54 cards contains a separate and distinct symbol or picture. The 54 individual cards are shuffled by the caller and then randomly drawn and announced to the players. The player uses a loteria card which contains a minimum of sixteen squares and each square has one of the 54 symbols or pictures. There are no duplicate symbols or pictures on the loteria card.

(2) Only Class "A" bingo licensees and those games operating without a license under RCW 9.46.0321 may utilize the game loteria when played in accordance with the following rules:

(a) No prize shall exceed \$10.00;

(b) Except for use of letters, numbers, and balls, the game shall be conducted in the same manner as a bingo game pursuant to WAC 230-20-246;

(c) The cards containing the symbols or pictures shall be thoroughly mixed and cut before the start of each new game;

(d) Loteria is exempt from the requirement of 230-20-240; and

(e) Loteria shall be subject to the same reporting requirements as Class A bingo.

[Statutory Authority: RCW 9.46.070 (11) and (14). 89-07-045 (Order 188), § 230-20-248, filed 3/14/89.]

WAC 230-20-249 Three number speed bingo—Operational procedures—Restrictions. Licensees may play "speed bingo" if the conditions set forth in this section are followed:

(1) For purposes of this section, "three number speed bingo" is defined as a bingo game that:

(a) Is played using a reduced number of balls and special cards with less than twenty-five spaces;

(b) The rate of calling numbers is faster than normal;

(c) The price to play includes an "ante," which is retained by the licensee, and a wager that begins at three units and decreases by one for each number covered on a player's card; and

(d) players compete against all other players for a pool of prizes that varies according to the numbers covered by players during the game;

(2) The following restrictions apply to speed bingo:

(a) The price to play speed bingo, including wagers, shall not exceed two dollars per card, per game;

(b) The price to play shall be the same for each card;

(c) The licensee shall not retain any part of players' wagers and all wagers not covering a called number on a player's card shall be paid to winners. If there is more than one winner, wagers shall be equally split among all winners: Provided, That licensees may develop a scheme for splitting odd numbers of chips between winners; and

(d) Gross gambling receipts for speed bingo shall be only the amount of fees collected from players for tickets to participate and excludes wagers and prizes paid to players.

(3) Speed bingo shall be played as follows:

(a) The game shall be played using thirty numbered balls, with numbers one through seventy-five available for use;

(b) Special cards that have three spaces imprinted with numbers that correspond to the numbers on the balls utilized for play;

(c) Tickets shall be used by players to participate in the game. The following procedures apply to tickets:

(i) Players shall purchase tickets for play prior to start of any game;

(ii) Tickets may be valued at any price below two dollars Provided, That the combined value of the ticket and wagers may not exceed two dollars per card, per game;

(iii) The ticket receipting method set forth in WAC 230-20-105 shall be used to receipt for income received to play games;

(iv) All tickets shall be stamped with the calendar date at the time sold to players;

(v) Different colored tickets shall be used for each session speed bingo is played; and

(vi) Tickets sold and collected from players shall be reconciled to cash for each session.

(d) Wagers shall be made and prizes paid using wagering chips. Wagers may be valued at any price as long as the total value of wagers and tickets does not exceed two dollars per card, per game. The requirements of WAC 230-40-070 shall be followed for wagering chips and banking services;

(e) Each player pays the licensee one ticket for each bingo card played for each game;

(f) Each player's beginning wager is three chips for each bingo card played during any single game. A player must have three chips for each card being played prior to the beginning of the game;

(g) During play of the game, players place a wagering chip on each number on their cards that is matched with called numbers. Once a wagering chip is used to cover a valid number, it is retained by the player and no longer available to be won by the game winner(s). Wagering chips must remain on the number on the card until all losing wagers are collected from players by the licensee. The

bingo worker collecting wagers must verify that covered numbers are valid;

(h) The first player to cover all three numbers on any card is the winner;

(i) After the winning card is verified, all unprotected chips are collected from all players and paid to the winner.

(4) The following WAC sections are not applicable to speed bingo:

(a) WAC 230-20-010 (1)(b) requiring all prizes available to be disclosed to players prior to their paying to participate: Provided, That licensees shall disclose the per-card cost to play and the amount of wagers required to play a single card;

(b) WAC 230-20-240(2) requiring that seventy-five balls, numbered one through seventy-five, be used to conduct games;

(c) WAC 230-20-240 (4)(a) requiring bingo cards to have twenty-five spaces;

(d) WAC 230-20-240(5) requiring Class F and above licensees to use disposable or electronically-generated bingo cards;

(e) WAC 230-20-101 regarding the ticket receipting method;

(f) WAC 230-20-246(6) requiring the symbol or number to be displayed to players: Provided, That the symbol or number must be displayed by use of a flashboard required by WAC 230-20-240(3) and the flashboard and audio system shall be fully functional; and

(g) WAC 230-08-080(2) and 230-20-102 regarding records for prizes awarded.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-20-249, filed 11/21/96, effective 12/22/96.]

WAC 230-20-300 Control of raffle prizes. Any person or organization conducting raffles shall ensure that all prizes offered are available at the time and place of the drawing. Prizes shall be controlled as follows:

(1) Merchandise prizes shall be owned by the licensee and paid for in full, without lien or interest of others, prior to the drawing at which the winners of such prizes are to be determined: *Provided*, That when the winner has an option to receive a cash prize in lieu of such merchandise, a licensee may enter into a contract to immediately purchase a merchandise prize after the winner makes their option;

(2) All cash prizes shall be available at the time of the drawing in the form of United States currency or an equivalent amount of negotiable instruments; and

(3) At the time and date of any raffle drawing, the licensee shall have on deposit an unencumbered amount of money that is equal to or greater than all cash prizes currently being offered or, if the winner has an option, the total cost to purchase merchandise prizes. Such funds shall be on deposit in the gambling receipts account if required by WAC 230-12-020 or otherwise in a recognized Washington state depository authorized to receive funds. The balance of funds available from this account shall not be reduced below the required amount prior to awarding the prize.

[Statutory Authority: RCW 9.46.070. 95-07-093, § 230-20-300, filed 3/17/95, effective 7/1/95; Order 5, § 230-20-300, filed 12/19/73, 1:25 p.m.]

WAC 230-20-325 Manner of conducting a raffle.

What are the general requirements for conducting a raffle?

(1) All raffles shall be conducted by selling individual chances for not more than twenty-five dollars and awarding prizes by selecting winners by a random drawing from among all chances sold;

(2) All raffle chances shall be consecutively numbered tickets or other objects imprinted with letters or symbols that are not repeated within the population of all chances sold for a specific raffle;

(3) No person shall be required to obtain more than one chance to enter a raffle;

What additional requirements apply to raffles offered to the general public and raffles that do not require the winner to be present at the drawing?

(4) Raffle chances sold to the general public or for raffles that do not require the winner to be present at the drawing shall consist of a ticket that includes a stub or other detachable section bearing a duplicate number, letter, or symbol corresponding to the number, letter, or symbol on the ticket or object representing the player's chance. The portion retained by the raffle operator shall include the participant's name, complete address, telephone number, and/or other information necessary to notify the winner;

What information must be provided to raffle participants and when must such information be provided?

(5) All participants in a raffle must be informed of all rules by which such prizes may be won at the time of sale of a chance. This information shall be provided by either imprinting such on the participant's portion of the ticket or otherwise providing such to each participant in writing. The following information shall be provided to each participant:

- (a) The cost of each chance;
- (b) All prizes available, whether cash or merchandise;
- (c) Date and time of drawing;
- (d) Location of drawing;
- (e) Whether an entrant is required to be present at a raffle drawing in order to be eligible to win a prize; and
- (f) Name of organization conducting raffle;

What are the restrictions on raffle entry fees and ticket prices?

(6) No person shall be required to pay, directly or indirectly, more than twenty-five dollars in order to enter any raffle: *Provided*, That the sale of more than a single ticket to a single participant or the sale of a booklet of tickets under approval of the director, as authorized by subsection (7) of this section, shall not be deemed a violation of this section;

(7) Each raffle ticket must be sold for the same price as every other raffle ticket being used for that particular raffle: *Provided*, That the director may authorize a licensee to sell tickets at a discount if:

(a) A petition for approval for discount sales is received at the Lacey headquarters office at least thirty days prior to beginning the raffle for which such approval is requested. Each petition for approval to sell discounted raffle tickets shall include at least the following:

- (i) A full description of the discount scheme;

(ii) The accounting controls and records to be used; and
(iii) A facsimile of the tickets and booklet cover planned for the raffle.

(b) Any licensee requesting approval for this activity shall reimburse the commission for all costs in reviewing and approval of such under the guidelines set forth in WAC 230-08-017;

(c) The organization has a Class E or higher raffle license;

(d) Participants must be allowed to purchase a single ticket;

(e) Discounted tickets must be bundled into booklets that:

- (i) Contain not more than five tickets;
- (ii) Are not removed from the booklet and sold individually; and
- (iii) The booklet cover of each ticket booklet is imprinted with a control number that meets the requirements of subsection (1) of this section.

(f) The maximum discount for a ticket bundled into a booklet is twenty percent of the single ticket price;

(g) The value of each ticket sold, net of the discount, shall be imprinted on the ticket; and

(h) Accounting procedures must be established that provide controls necessary to allow commission staff the ability to audit gross gambling receipts from such tickets;

What are the limits on what may be offered as a prize or reward for either selling or purchasing tickets?

(8) No free tickets, or any opportunity to participate in the drawing of any raffle, shall be awarded or given to a person as a prize or reward for selling raffle tickets or for purchasing a certain number of raffle tickets: *Provided*, That noncash incentive awards may be provided to members selling tickets if:

- (a) Individual awards do not exceed a fair market value of ten dollars;
- (b) The awards are based on the number of chances sold; and
- (c) The fair market value of the total amount awarded for an individual raffle does not exceed two percent of the gross gambling receipts of the raffle;

What are the procedures for handling sold tickets?

(9) Each ticket seller shall return to the licensee the stubs or other detachable section of all tickets sold. The licensee shall then place each stub or other detachable section of each ticket sold into a receptacle from which the winning tickets are to be drawn;

What are the procedures for conducting a raffle drawing?

(10) The raffle license issued by the commission or a copy of the license shall be posted in plain view at the location at all times during the occasion when a drawing is being conducted.

(11) The ticket collection receptacle shall be designed so that each ticket has an equal opportunity to be drawn: *Provided*, that an alternative drawing format to determine the winner may be utilized if such format is approved by the director before tickets are sold and the following requirements are complied with:

- (a) The organization must have a current raffle license;

(b) The alternate format must meet the definition of a drawing as defined by WAC 230-02-500;

(c) The random selection process used in the alternative format shall be fully disclosed to each player prior to selling a ticket;

(d) Any alternate format utilized to determine the winners must be closely controlled by the licensee; and

(e) The written request to utilize an alternative drawing format shall contain, at a minimum, the following information:

(i) The time, date and location of the drawing;

(ii) The type of random selection process to be used and complete details of its operation;

(iii) The name and telephone number of the raffles manager; and

(iv) The signature of the organization's chief executive officer.

[Statutory Authority: RCW 9.46.070, 9.46.0209, 9.46.0237, 9.46.0205 and 9.46.075. 96-24-008 (Order 303), § 230-20-325, filed 11/21/96, effective 12/22/96. Statutory Authority: RCW 9.46.0277 and 9.46.070. 96-07-077, § 230-20-325, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070. 95-07-093, § 230-20-325, filed 3/17/95, effective 7/1/95. Statutory Authority: RCW 34.05.220(4), [34.05].230 and 9.46.070 (11) and (14). 90-05-032 (Order 205), § 230-20-325, filed 2/14/90, effective 3/17/90. Statutory Authority: RCW 9.46.070 (11), (14) and 9.46.0218 [9.46.0281], 89-05-024 (Order 186), § 230-20-325, filed 2/13/89. Statutory Authority: RCW 9.46.070. 88-19-038 (Order 183), § 230-20-325, filed 9/13/88. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-07-059 (Order 175), § 230-20-325, filed 3/15/88. Statutory Authority: RCW 9.46.070 (1), (2), (4), (5), (6), (9), (11), (14) and (17) and 9.46.020 (19) and (23). 85-17-015 (Order 153), § 230-20-325, filed 8/12/85. Statutory Authority: RCW 9.46.070 (3), (8) and (11). 85-09-040 (Order 149), § 230-20-325, filed 4/15/85. Statutory Authority: RCW 9.46.070 (8) and (11). 83-11-034 (Order 133), § 230-20-325, filed 5/16/83.]

WAC 230-20-335 Members-only raffles—Procedures—Restrictions. Organizations may conduct members-only raffles utilizing simplified procedures. For purposes of this section, "members-only raffle" means a raffle conducted by selling chances only to members of the organization and a limited number of guests, and determining the winners from among those members and guests that have purchased chances. The following procedures and restrictions supplement or modify WAC 230-08-070 and 230-20-325 and apply only to members-only raffles:

(1) In order to conduct raffles utilizing these simplified procedures, all phases of the raffle must be completed during a meeting of the members, and the meeting must be completed on the same day and at the same location without interruption;

(2) If guests are allowed to participate, the total number of guests, as a percentage of the total attendance of the meeting, shall not exceed twenty-five percent. Records shall be maintained that will allow commission staff to determine compliance with this requirement;

(3) All disclosures required to be imprinted on a raffle ticket or chance may be provided to participants by posting a sign at each ticket sales point;

(4) Chances to enter a raffle may be included as a part of a package that includes dues, entertainment, or other fundraising activities if the value of each component of the package is disclosed to the purchaser and the value of each individual raffle chance does not exceed twenty-five dollars: *Provided*, That initial applications for membership and any

fees paid for such shall not include chances to enter raffles or to participate in any gambling activities;

(5) The director may authorize an organization to deviate from the "same price" requirements of WAC 230-20-325(5). Chances to enter a raffle may be sold for different values, ranging from one cent to a maximum of ten dollars, if the following conditions are met:

(a) The scheme for assigning the cost of the ticket must be disclosed to the player before selling them a chance to participate. This disclosure shall include the total number of tickets in the population and the number of tickets at each price level;

(b) Participants must be allowed to randomly select their ticket from the population of remaining tickets. Participants pay the amount imprinted upon the ticket they select;

(c) The scheme provides an adequate audit trail that will allow commission staff and taxing authorities to determine gross gambling receipts;

(d) The total gross gambling receipts available from raffles utilizing such schemes are limited to five thousand five dollars each drawing;

(e) No more than two such drawings are conducted during a meeting of the members; and

(f) Approval must be obtained in writing from the director. Such approval shall be valid until revoked by commission staff;

(6) The following sales schemes may be used for members-only raffles:

(a) Multiple tickets to enter one or more drawings may be sold as a package as long as the total price of the package does not exceed twenty-five dollars; and

(b) Alternative sales methods may be used if specifically authorized by the commission. This authority will be issued on an individual basis and will require a detailed written request;

(7) Alternative drawing formats approved for members-only raffles shall be valid until revoked by the commission staff, if all the information required by this subsection is reported to the commission at least ten days before any drawing using such schemes. Notification for members-only raffles may be signed by the designated raffle manager;

(8) The limitations on noncash incentive awards for an individual raffle, set forth in WAC 230-20-325 (6)(a) and (c), are modified to allow awards that do not exceed five percent of the combined gross gambling receipts for all raffles conducted during a membership meeting if a record of the name, address, and telephone number is maintained for all persons receiving awards valued in excess of fifty dollars;

(9) Raffle records, as required by WAC 230-08-070, are modified as follows:

(a) The threshold value for maintaining a record of the name, address, and telephone number of each winner of a prize is increased to include only prizes valued in excess of fifty dollars;

(b) Ticket disbursement records are not required; and

(c) Minimum record retention period is reduced to a period that is not less than one year following the date of each individual raffle drawing.

[Statutory Authority: RCW 9.46.0277 and 9.46.070. 96-07-077, § 230-20-335, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070. 95-07-093, § 230-20-335, filed 3/17/95, effective 7/1/95.]

WAC 230-20-350 Licensees may join together to conduct a raffle. Persons holding a license to conduct a raffle or raffles, may join together with any other person or persons holding such a license to jointly conduct a raffle only if the following conditions are met:

(1) Approval to do so is received by each licensee from the commission for that particular raffle prior to the sale of any tickets in connection therewith;

(2) The method by which the income, expenditures for prizes, and all other expenses, received and expended in connection with the raffle will be apportioned among the licensees conducting the raffle is disclosed in writing to the commission, together with the application for the commission's approval of the joint raffle;

(3) A separate bank account is established by one of the participating licensees, all of the proceeds from the raffle are deposited therein, and all of the expenses in connection with the raffle, including but not limited to, all payments for prizes, is made therefrom;

(4) Records are kept by each of the participating licensees which clearly disclose the amount of money received and expended by that licensee and by each other participating licensee in connection with the raffle. Records of expenses shall disclose for what purpose the money was spent.

(5) All gross receipts received by each individual participating organization shall count toward their individual license gross receipts limit.

[Statutory Authority: RCW 9.46.070 (8), (11) and (14), 89-11-048 (Order 192), § 230-20-350, filed 5/16/89; Order 18, § 230-20-350, filed 5/21/74.]

WAC 230-20-360 Licensee for the conduct of bingo games at agricultural fairs shall not allow another to do so without a permit. An agricultural fair licensed for the operation of bingo shall not allow any other person to conduct bingo under the authority of the fair's license unless approval of that person, and a permit therefor, has been obtained from the commission under WAC 230-04-191, or 230-04-193.

[Order 53, § 230-20-360, filed 5/25/76; Order 42, § 230-20-360, filed 9/18/75; Order 15, § 230-20-360, filed 4/17/74.]

WAC 230-20-370 Licensees may rent equipment to conduct amusement games. A bona fide charitable or nonprofit organization licensee, or any of its regular members, may rent or otherwise obtain equipment used by the organization to conduct bingo or amusement games from any person so long as any price paid for such equipment, or for use of such equipment, is reasonable, is a lump sum or hourly rate established in the competitive market, and is not based upon a percentage of the income or profit derived from the conduct of such activities.

[Order 18, § 230-20-370, filed 5/21/74.]

WAC 230-20-400 Certain lower volume licensees exempted from certain rules. Persons holding the licenses issued under the classes and circumstances set forth in WAC 230-04-065 or persons operating without a license under RCW 9.46.0315 and 9.46.0321 need not comply with the following rules of the commission, except as noted:

(1) WAC 230-04-280 requiring notification to local law enforcement of their activity, but nonlicensees must comply with RCW 9.46.0315 and 9.46.0321.

(2) WAC 230-08-080 requiring certain daily records: *Provided*, That all such persons in the alternative, must comply with WAC 230-08-015 (1), (2), and (3).

(3) WAC 230-08-010 concerning operator records: *Provided*, That all such persons must, in the alternative, comply with WAC 230-08-015 (1), (2), and (3).

(4) WAC 230-08-120 requiring quarterly reports: *Provided*, That holders of such classes of licenses must in the alternative, comply with WAC 230-08-015(4).

(5) With respect to volunteer operators only, i.e., those not compensated for their work by the licensee, WAC 230-20-220 prohibiting certain persons from playing in bingo games.

(6) WAC 230-20-120 concerning free food and beverages at bingo games.

(7) WAC 230-20-190 concerning bingo card prices.

(8) WAC 230-20-230 concerning free games for winners.

[Statutory Authority: RCW 9.46.070, 9.46.0315 and 9.46.0321. 94-07-084 (Order 250), § 230-20-400, filed 3/16/94, effective 4/16/94; Order 80, § 230-20-400, filed 12/28/77; Order 53, § 230-20-400, filed 5/25/76; Order 29, § 230-20-400, filed 1/23/75; Order 14, § 230-20-400, filed 3/27/74.]

WAC 230-20-508 Authorized amusement games—Types, standards and classifications. The commission hereby authorizes the following amusement games, whether coin operated or not, to be operated by persons possessing a commercial amusement game license, or bona fide charitable or nonprofit organizations possessing a license issued by the gambling commission or when conducted as authorized by RCW 9.46.0321 at an authorized location.

(1) In all amusement games, a merchandise prize must be awarded to the player, if the player is successful at achieving the objective of the game, with one cost of play.

(2) All amusement games operated within the state of Washington must meet the standards of at least one of the following classifications:

(a) Group I - Ball toss/kick games: The player throws or kicks a ball or balls in order to achieve a specified goal. Upon achieving the goal of the game, the player is awarded a prize.

(i) All balls for each game must be uniform in size and weight.

(ii) All targets for each game must be of the same weight and size or the operator must color code the target and advise the player of the difference in targets if the difference is not visible to the player.

(iii) No target may have a loose or floating weight.

(iv) The weight of any target will not exceed seven and one-half pounds.

(v) When the goal is to estimate the speed of the ball thrown or kicked, a minimum of three balls will be used to estimate the speed by the player and one ball for the actual throw or kick.

(vi) When ping pong or similar light weight balls are utilized in games requiring the ball to be tossed into a dish, saucer, cup or similar container, water must be placed in the bottom of each such container.

(b) Group II - Dart games: The player throws one or more darts into a target or target area. Upon successfully achieving a predetermined score, pattern, penetrating and/or breaking a target, or just sticking in the target, the player is awarded a prize.

(i) All darts must be uniform in size and in original condition with the point sharp or functional suction-cup darts and all feathers or tail sections intact.

(ii) The targets and target area for all dart games must be of a material capable of being penetrated and retaining a metal tip dart; or holding a suction-cup dart.

(iii) The target area will be in the rear of the stand and will be at least three feet but not more than fifteen feet from a foul line.

(iv) In "add em up games," when the player must achieve a predetermined score, all darts stuck on the lines will receive another throw. The player has the right to add up the score of the darts thrown.

(c) Group III - Hoop or ring toss games: The player must toss one or more hoops or rings over one or more targets which may consist of bottles, pegs, blocks, prizes, or any item capable of having a ring or hoop tossed over it.

(i) The operator must specifically advise the player as to the degree that the hoop(s) or ring(s) must go over the target.

(ii) All hoops or rings for each game must be uniform in size and shape and must be capable of going over the target.

(iii) All targets used at an individual stand must be the same size or the operator must disclose to the player by posting signs or using color codes to denote the different sizes.

(d) Group IV - Coin/token toss games: The player or players toss one or more coins or tokens onto a surface or into a target or target area. The game must have a clear and unobstructed thirty-six inch vertical airspace above the target, target area, or surface. The target, target area, or surface must be level. Any game which has a target or target area of four square inches or less must award a prize if any part of the coin or token is within the target or target area.

(e) Group V - Eye/hand coordination games: The player or players perform a task or tasks which requires the player to use the coordination between their hand(s) and eye(s) to successfully complete the task or tasks. The task or tasks may include one or a combination of the following:

(i) Striking a moving or fixed object or target to include a sequence of moving or fixed objects or targets;

(ii) Causing object(s) to be launched at target(s) from a device. The objects are aimed so they may land in, on, or through a target(s) to include catching or having the object(s) caught in the target(s);

(iii) Dropping object(s) onto target(s) or target area(s) or surface(s), to include covering the target(s), target area(s), or surface(s) with the object(s);

(iv) Capturing, lassoing, hooking, or getting a hold of an object(s) and causing them to move or change position;

(v) Guiding object(s) or images through a pattern, maze, or task;

(vi) Climbing on, over, through, or around object(s); or

(vii) Similar tasks.

(A) If a player is required to cover a spot or specific target area, then the target or target area must be a circular spot.

(I) The player must receive at least five circular discs to drop on the target or target area.

(II) The diameter of the circular discs used to cover the target or target area must be at least sixty-four percent of the diameter of the target spot or area.

(III) The target spot or area must be permanently affixed to a solid surface.

(B) A regulation billiard table, balls, and cue must be used for any game requiring a player to perform any task or tasks normally associated with playing billiards or pool.

(C) In games where objects are launched, tossed, or catapulted at target(s), the launching device shall respond in an identical manner on repetitive uses when an equal amount of force is applied or selected by the player.

(f) Group VI - Strength test games: The player(s) tests their own strength in performing a task or tasks for a predetermined number of times or length of time. This may include hand, arm, or whole body strength and may also require the player to use a tool or instrument to strike an object or target, which may cause the object to be propelled or travel a specific distance. The task(s) may require the object(s) to strike another object(s) to achieve the objective.

(g) Group VII - Crane games: The player, using one or more of a variety of control methods, maneuvers a crane or claw device into a position to attempt to retrieve a prize. All games must meet the following conditions:

(i) At least twenty seconds playing time per operation.

(ii) Crane or claw must be capable of reaching, picking up, and dispensing all prizes contained within the machine.

(iii) The controls for the machine must be clearly labelled as to their function.

(iv) Prizes must be loose and shall not be packed, arranged, lodged, or intertwined in the machine in any way which would prevent the prize from being picked up by the crane or claw and dispensed.

(h) Group VIII - Penny fall games: Penny fall games are electronic or electro-mechanical games in which:

(i) The player inserts a coin or token into a chute;

(ii) The player controls the direction the coin or token falls by aiming the chute;

(iii) The coin or token will land on a flat surface or surfaces which have a sweeper(s) and/or a pusher arm moving across the surface or surfaces;

(iv) The surfaces shall be level and contain similar coins or tokens;

(v) A carefully aimed coin or token will cause coins or tokens on the flat surface(s) to be pushed or swept into holes or chutes dispensing the tokens or awarding a set number of tickets to the player;

(vi) The game may contain additional factors which if properly negotiated or struck by a coin or token, will award additional tickets to the player;

(vii) The additional factor may be in the form of targets that when lit, grant the player bonus tickets when the coin or token passes over the target;

(viii) Any such additional targets or bonus opportunities must be activated prior to the player inserting the coin or token to start play and must remain activated for a period of

time sufficient to allow the player to attempt to strike or negotiate the targets or bonus opportunities;

(ix) The skill of the player must be the determining factor in the outcome of the game; and

(x) Merchandise prizes may be placed on the coins, tokens, or other surfaces in the game and if the prize is pushed into a hole or chute then it is awarded to the player. All such prizes must fit into or down the hole or chute in the game which awards prizes to the player.

(i) Group IX - Ball roll down games: The player rolls one or more balls to a target or target area. Upon achieving the objective of the game, the player is awarded a prize.

(i) Ball roll down games may be either one player attempting to score a predetermined number of points by landing in a target or target area, or striking and/or knocking down a target or targets.

(ii) Ball roll down games may be more than one player attempting to score a predetermined number of points, striking and/or knocking down a target(s), or landing in a target area. The first player to accomplish the goal is awarded a prize.

(j) Group X - Shooting games: A game in which the player or players use a device to fire a projectile or projectiles to hit a target or targets. The projectiles may include pellets, BB's, corks, water, electronic beams, light beams, balls, or suction-cup darts. The targets may be stationary or mobile. The player or players may be required to:

(i) Completely shoot out or obliterate a target or portion thereof;

(ii) Hit a target or specific portion thereof; or

(iii) Hold an electronic beam, light beam, or water stream on a target or portion thereof to achieve a specific result.

(A) All safety requirements of the local city or county ordinances must be observed by the operator and player(s).

(B) A short range shooting gallery must give a player at least four shots to shoot out a target which has a diameter of one-quarter inch or less, or at least one shot per target which must be struck. Targets must be at least one-half inch square and may include a bullseye section which the player must shoot out without touching the outside of the target.

(C) Shoot-out-the-star games must give the player at least one hundred projectiles in an automatic type device to shoot out a star which is no more than one and one-quarter inch from point to point.

(D) Games may award a prize based upon the number of players participating and use a combined score to determine the winner.

(E) If suction-cup darts are used in the game, a player must receive another turn if the dart does not stick to the target area.

(F) If targets must be knocked over or off of a shelf, then the bases of the targets must be uniform front and rear.

(G) If a player is required to destroy or obliterate all or part of a target, then the player must have the right to visually inspect the target at the conclusion of the game.

(k) Group XI - Cake walks and fish pond games: Cake walks and fish ponds, as commonly known, are amusement games. Cake walks involve a number of players walking on a numbered or color-coded circle while music is played. When the music stops, the player's prize is determined by the number or color of the portion of the circle they are

standing on. Fish ponds are games where players receive a prize every time they compete, by either hooking or capturing a fish or similar object floating in a pool of water with a number or symbol on the bottom of the fish or object which corresponds to a prize or the operator may place a prize directly onto the "line" or catching device of the player from behind a curtain or similar obstruction.

(3) All classifications of amusement games must be operated as either an attended amusement game as defined by WAC 230-02-511 or as a coin or token activated amusement game as defined by WAC 230-02-514.

(4) No amusement game shall award additional plays as a prize.

(5) Operators may introduce new games that meet the standards of the applicable classification without prior approval of the commission: *Provided*, That an operator must provide to the commission at least sixty days prior to such introduction a description of the game, the rules of play, and a justification for the classification selected: *Provided, further*, That upon notification by the director that the proposed game does not meet the selected classification, or otherwise violates a provision of law or commission rule, the game may not be introduced, or if already introduced, must be removed from play until its operation is brought into compliance with such law or rules. New games not falling within the classifications of this rule may be approved by the director for a twelve-month test period pending submission of a petition to amend the rule.

[Statutory Authority: RCW 9.46.070. 94-01-036, § 230-20-508, filed 12/6/93, effective 1/6/94.]

WAC 230-20-509 Amusement games—Classification to be assigned by operator. Licensed operators of amusement games shall evaluate each game being operated under their control and determine the group type, specified by WAC 230-20-508, of each game. Operators shall prepare a list of all such games which they plan to operate during each license year and submit this list to the commission. Such list shall contain the following information:

(1) The name under which the game is being played; and

(2) The group type of each game.

[Statutory Authority: RCW 9.46.070. 94-01-036, § 230-20-509, filed 12/6/93, effective 1/6/94.]

WAC 230-20-510 Attended amusement games—Operational restrictions. Regular operation of attended amusement games shall include, but not be limited to the following: Collection of valuable consideration from the player(s), providing equipment or components to the player(s) to allow participation in the game, and delivery of a merchandise prize(s) to any player successfully achieving the stated goal of the game. Regular operation shall not include material assistance in playing the game or participation in the game by the attendant. Any such game shall be conducted in accordance with all other rules of the gambling commission and provisions of chapter 9.46 RCW.

[Statutory Authority: RCW 9.46.070. 96-07-076, § 230-20-510, filed 3/19/96, effective 7/1/96.]

WAC 230-20-600 Amusement games—Licensee to give notice to local police jurisdiction prior to conducting—Inspection of equipment by police. No person licensed to conduct amusement games shall conduct any such games at any location within the state of Washington without having first given notice to the local police agency of the jurisdiction within which the amusement games are to be conducted. Such notice shall be in writing, addressed to the head of the local police agency, and shall be delivered no less than ten days in advance of the date upon which the amusement games are to be conducted: *Provided*, That this time may be reduced by the chief officer of the local law enforcement agency for good cause shown.

Such notice shall include the following information:

(1) The name and address of the licensee, and the name and local address of the person exercising managerial authority over the conduct of the games at that location;

(2) The date or dates the amusement games will be conducted;

(3) The location at which the amusement games will be conducted.

The licensee shall not utilize any equipment in the conduct of the amusement games unless the equipment has been available for inspection by the local police agency for a period of two hours immediately preceding such utilization.

[Order 55, § 230-20-600, filed 6/25/76.]

WAC 230-20-610 Amusement games—Factors affecting skill to be readily visible to players. No amusement games shall be conducted within the state of Washington wherein the physical limitations affecting the degree of skill necessary to win a prize are not readily visible to the player. For example, if any target, basket, hoop, can, or other similar device utilized in an amusement game, has any limiting features not readily visible to the player, a duplicate thereof showing the limitation or restriction shall be placed so as to be readily visible to the players.

[Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-07-059 (Order 175), § 230-20-610, filed 3/15/88; Order 55, § 230-20-610, filed 6/25/76.]

WAC 230-20-615 Amusement games—Material degree of skill required—Standards. No amusement game shall be conducted within the state of Washington unless the outcome of said game depends to a material degree upon the skill of the contestant. The standard to be applied shall be the following:

(1) Do contestants' physical and or mental abilities play an important and integral role in determining the outcome of the game; and

(2) Would the success rate of the average contestant(s) improve with repeated play or practice.

If both subsections (1) and (2) of this section are present, a material degree of skill in the outcome of a game shall be deemed to be present.

[Statutory Authority: RCW 9.46.070. 94-01-036, § 230-20-615, filed 12/6/93, effective 1/6/94. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-07-059 (Order 175), § 230-20-615, filed 3/15/88.]

WAC 230-20-620 Amusement games—Objects to be thrown to be uniform—Similar games not to use different objects unless designated. No person licensed to

conduct amusement games shall conduct any such game within the state of Washington wherein the winning of a prize depends upon the player's ability to throw or project an object unless all such objects available to any player in said game are uniform in size and weight. No licensee shall conduct more than one game of a similar type on the same premises utilizing similar objects of a different size or weight, unless the difference in such objects is readily apparent or designated by, for example, use of a color scheme.

[Statutory Authority: RCW 9.46.070. 95-09-064 (Order 269), § 230-20-620, filed 4/18/95, effective 5/19/95; Order 55, § 230-20-620, filed 6/25/76.]

WAC 230-20-630 Amusement games—Fees, rules, prizes and variations in objects to be posted—Fees to be paid in cash or scrip—Prizes not to differ from those posted. (1) No person shall conduct any amusement game at any location within the state of Washington unless there is posted in a conspicuous place, readily visible to persons playing the game, a sign(s) made of permanent material, such as wood, poster board, metal or plastic with lettering at least one and one-half inches in height that contains the following information:

(a) Fees charged for playing;

(b) The rules by which the game is to be played;

(c) Prizes to be won;

(d) Any variation in the size or weight of objects utilized in the game which is not readily visible to the player;

(e) The name of the operator and an assigned concession number; and

(f) The group number of the game being conducted.

(2) Licensed amusement game operators shall assign each concession a number and a list of all concessions and their assigned numbers shall be kept available in the concession office.

(3) No amusement games shall be conducted wherein the price charged for playing said game is paid other than in cash, or in an amount other than that posted upon the premises of said game. The term "cash" as used herein shall include checks. In addition, the operator may accept as consideration, tokens, scrip or tickets, but only under the following conditions:

(a) The value of each token, ticket or item of scrip, as measured by the equivalent amount of cash which a player would have to present in lieu of said token, ticket or scrip, must be indicated on the face thereof;

(b) Said tokens, tickets or scrip are not redeemable for cash;

(c) Said tickets or scrip shall bear the name of the operator or sponsor.

(4) No amusement games shall be conducted within the state of Washington wherein the prize to be given to a prospective winner is other than that posted upon the premises of said game: *Provided, however*, That after an individual player has won two or more prizes, an operator may offer said player the opportunity to exchange said prizes for one or more other prizes, but only if the prize to be received by the player in exchange was on display during the play of the game. Any prize system which requires forfeiture of previously won prize(s) in exchange for another play

is prohibited. Operators of amusement games may utilize a scheme for distribution of prizes wherein the winners of individual prizes receive tickets, which are subsequently redeemable in combination with other tickets won for a merchandise prize.

[Statutory Authority: RCW 9.46.070. 95-12-051, § 230-20-630, filed 6/2/95, effective 7/3/95; 94-01-036, § 230-20-630, filed 12/6/93, effective 1/6/94. Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-20-630, filed 9/18/91, effective 10/19/91. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-20-630, filed 11/27/89, effective 12/28/89. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-07-059 (Order 175), § 230-20-630, filed 3/15/88; Order 55, § 230-20-630, filed 6/25/76.]

WAC 230-20-640 Amusement games—Sample of prizes to be displayed. No person licensed to conduct amusement games shall conduct any such game within the state of Washington unless there is on display in a place readily visible to all persons playing such game a sample of each type of prize available to be won.

[Order 55, § 230-20-640, filed 6/25/76.]

WAC 230-20-650 Amusement games—Coin toss games. No person licensed to conduct amusement games shall conduct any such game within the state of Washington wherein the ability of a player to win a prize depends upon causing a coin to land within the confines of a space unless the following conditions exist with respect to said game:

(1) There must exist an unobstructed air space, of at least thirty-six inches in height, above any surface upon which the landing of a coin will result in the awarding of a prize.

(2) Plates, spots, targets, etc. will not be inclined so as to give an advantage to the operator.

(3) If the area of an enclosed surface upon which the landing of a coin will result in the awarding of a prize is four square inches, or less, a prize must be awarded to any participant who causes a coin to land so that any part of said coin is within any part of said area.

[Statutory Authority: RCW 9.46.030(5). 81-21-033 (Order 114), § 230-20-650, filed 10/15/81; Order 55, § 230-20-650, filed 6/25/76.]

WAC 230-20-660 Amusement games—Target shoot—Target to be brought to contestant on demand. No person licensed to conduct any games shall conduct any such game within the state of Washington wherein a person is required to shoot a firearm, air gun, pellet gun, BB gun or similar device at a target, and, as a condition of winning a prize, destroy or obliterate part or all of that target, unless the contestant is allowed to have the target brought to him for his inspection at his request, at any time and without limitation.

[Order 55, § 230-20-660, filed 6/25/76.]

WAC 230-20-670 Commercial amusement games—Operating restrictions. Class B or above commercial amusement game licensees locating and operating amusement games at premises not owned, leased, or otherwise controlled by them, as authorized by WAC 230-04-138(5) shall comply with the following restrictions:

(1) Each location where commercial amusement games are operated shall be required to obtain an amusement game license;

(2) A charitable/nonprofit organization licensed to operate amusement games or any person licensed for Class A (premise only) commercial amusement games may enter into a contract with a Class B or above commercial amusement game licensee to operate amusement games on their premises. All contracts regarding the operation of amusement games shall be submitted to the commission and become part of the license file. Violations of the terms of the contract by a commercial amusement game operator may be grounds for suspension or revocation of their license. All contracts must be written and specific in terms, setting out the time of the contract, amount of rent or consideration to be paid, rent due dates, and all expenses to be borne by each party;

(3) The rent or consideration paid to a Class A commercial amusement game location may be based on a percentage of revenue generated by the activity if the method of distribution is specific;

(4) The rent or consideration paid to charitable/nonprofit organizations shall not be based on a percentage of revenue generated by the activity unless the amount returned to the organization is equal to or exceeds twenty-two percent of the gross gambling receipts. Shall be paid to the organization at least once a month;

(5) No Class B or above commercial amusement game operator shall allow operation of a game at a premise which has not been previously licensed by the commission.

[Statutory Authority: RCW 9.46.070. 93-19-090 (Order 244), § 230-20-670, filed 9/15/93, effective 10/16/93. Statutory Authority: RCW 9.46.070(2) and 9.46.0331(2). 93-12-082, § 230-20-670, filed 5/28/93, effective 7/1/93. Statutory Authority: RCW 9.46.070. 92-21-056 (Order 233), § 230-20-670, filed 10/19/92, effective 11/19/92. Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-20-670, filed 9/18/91, effective 10/19/91. Statutory Authority: RCW 9.46.070 (4), (11) and (14). 89-24-002 (Order 201), § 230-20-670, filed 11/27/89, effective 12/28/89.]

WAC 230-20-680 Commercial amusement games—Operation restrictions. (1) No person shall operate commercial amusement games in any location except under the following conditions:

(a) The operation of amusement games must be closely monitored and controlled to ensure all games are operated in accordance with all provisions of this WAC title;

(b) The players are protected from fraud and game manipulation; and

(c) All games and/or machines are maintained in proper condition to ensure the operation is as approved by WAC 230-20-508.

(2) All locations where school-aged minors are allowed to play must be supervised by an adult during all hours of operation. The adult supervisor will ensure that school-age minors are prohibited from entry and/or playing amusement games in locations authorized by WAC 230-04-138 (1)(g), (i), (j), or (k) during school hours and after 10:00 p.m. on any day: *Provided*, That school-aged minors are prohibited from entry into licensed amusement game locations in regional shopping centers after the normal shopping area closing hours on Sunday through Thursday.

[Statutory Authority: RCW 9.46.070 and 9.46.0331. 94-07-084 (Order 250), § 230-20-680, filed 3/16/94, effective 4/16/94. Statutory Authority: RCW 9.46.070. 93-01-013 § 230-20-680, filed 12/4/92, effective 1/4/93. Statutory Authority: RCW 9.46.070 and 9.46.0331. 91-19-093 (Order 227), § 230-20-680, filed 9/18/91, effective 10/19/91.]

WAC 230-20-685 Commercial amusement games—Wager and prize limitations. For locations authorized under WAC 230-04-138 (1)(g), (i), (j), or (k) where school-aged minors are allowed to play, the following limitations shall apply.

(1) Prize limitations. No prize offered shall exceed a cost to the operator of one hundred dollars.

(2) Consideration. The maximum wager for play shall not exceed fifty cents.

[Statutory Authority: RCW 9.46.070(2) and 9.46.0331(2). 93-12-082, § 230-20-685, filed 5/28/93, effective 7/1/93. Statutory Authority: RCW 9.46.070 (3)(11)(14). 92-19-106 (Order 230), § 230-20-685, filed 9/18/92, effective 10/19/92.]

WAC 230-20-700 Coin or token activated amusement games—Standards. (1) All coin or token activated amusement games operated at locations authorized under WAC 230-04-138 (1)(f), (g), (i), (j), (k), or (l) must have nonresettable coin-in meters, the removal or disconnection of which stops the play of the machine. The meter must be certified as accurate to within plus or minus 1 coin or token in 1,000 plays.

(2) All coin or token activated amusement games must have a coin acceptor capable of taking money for one play and may have an additional acceptor to include paper money. All games utilizing paper money acceptors shall either return change or clearly disclose to the customer that change is not returned by the device and where on the premises this change may be obtained prior to play. Operators using amusement games that do not return change must have a change-making bill acceptor or the ability to obtain change, in the immediate vicinity of such games.

[Statutory Authority: RCW 9.46.070. 94-23-093 (Order 260), § 230-20-700, filed 11/17/94, effective 1/1/95; 94-01-036, § 230-20-700, filed 12/6/93, effective 1/6/94. Statutory Authority: Chapter 9.46 RCW. 91-21-053 (Order 228), § 230-20-700, filed 10/15/91, effective 11/15/91.]

**Chapter 230-25 WAC
FUND-RAISING EVENTS**

WAC

- 230-25-020 Fund-raising event—Licensee to give notice to local police jurisdiction prior to conducting—Inspection of equipment by police.
- 230-25-030 Fund-raising event—Ten thousand dollars annual net receipt maximum.
- 230-25-033 Fund-raising events on New Year's Eve extending past midnight.
- 230-25-040 Fund-raising event—House rules to be developed and posted—Limitations on wagers.
- 230-25-050 Wagering among participants not permitted.
- 230-25-055 Use of chips, scrip or similar items at fund-raising event.
- 230-25-060 Coin-operated gaming devices prohibited.
- 230-25-065 Licensees may join together to conduct a fund-raising event.
- 230-25-070 Fund-raising events—Central accounting system required.

- 230-25-100 Fund-raising events—Leasing of premises of retail business—Conditions.
- 230-25-110 Fund-raising event—Use of equipment, lease or rental from licensee only.
- 230-25-120 Limits upon amount for rent, lease or similar payments for fund-raising events.
- 230-25-150 Pull tabs at fund-raising events—Authorized.
- 230-25-160 Pull tabs at fund-raising events—Operational requirements—Limitations.
- 230-25-200 Bingo at fund-raising event.
- 230-25-220 Raffles or similar drawings conducted at fund-raising events.
- 230-25-230 Raffles or similar lotteries at fund-raising events—Tickets to be sold and income to be accounted for separately.
- 230-25-235 Fund-raising event—Rules for blackjack.
- 230-25-240 Prizes to be awarded only to persons who were present, and purchased tickets or made wagers, at fund-raising event.
- 230-25-250 Operation of punchboards at a fund-raising event prohibited.
- 230-25-260 Bona fide member of organization conducting fund-raising event.
- 230-25-265 Fund-raising event—Regular salary for licensee's employee not "payment" for work on fund-raising event under certain conditions—Food and beverage exception.
- 230-25-270 Certain incidental functions at fund-raising event not part of management and operation of event.
- 230-25-310 Fund-raising event—List of workers to be available on premises.
- 230-25-315 Workers to wear identification tabs.
- 230-25-320 Limits for operation and participation in fund-raising events.
- 230-25-330 Recreational gaming activity—Rules for play.

**DISPOSITION OF SECTIONS FORMERLY
CODIFIED IN THIS CHAPTER**

- 230-25-035 Recreational fund-raising event. [Statutory Authority: RCW 9.46.070(13). 79-12-057 (Order 94), § 230-25-035, filed 11/28/79.] Repealed by 81-19-072 (Order 111), filed 9/15/81. Statutory Authority: RCW 9.46.020(23) and 9.46.070(14).
- 230-25-071 Fund-raising event—Definitions of job titles. [Statutory Authority: RCW 9.46.070(13). 78-11-049 (Order 87), § 230-25-071, filed 10/20/78.] Repealed by 81-19-072 (Order 111), filed 9/15/81. Statutory Authority: RCW 9.46.020(23) and 9.46.070(14).

WAC 230-25-020 Fund-raising event—Licensee to give notice to local police jurisdiction prior to conducting—Inspection of equipment by police. No person licensed to conduct fund-raising events shall conduct any such events at any location within the state of Washington without having first given notice to the local police agency of the jurisdiction within which the fund-raising events are to be conducted. Such notice shall be in writing, addressed to the head of the local police agency, and shall be delivered no less than ten days in advance of the date upon which the fund-raising event is to be conducted: *Provided*, That this time may be reduced by the chief officer of the local law enforcement agency for good cause shown.

Such notice shall include the following information:

- (1) The name and address of the licensee, and the name and local address of the person exercising managerial authority over the conduct of the event at that location;
- (2) The date or dates the fund-raising event will be conducted;

(3) The location at which the fund-raising event will be conducted.

The licensee shall not utilize any equipment in the conduct of the fund-raising event unless the equipment has been available for inspection by the local police agency for a period of two hours immediately preceding such utilization.

[Order 78, § 230-25-020, filed 11/17/77.]

WAC 230-25-030 Fund-raising event—Ten thousand dollars annual net receipt maximum. (1) No licensee authorized to conduct one fund-raising event for a period of seventy-two consecutive hours once during a calendar year shall conduct such an event in such a manner as to allow the total of all gross wagers and bets received by the licensee, less the amount of money paid or committed by the licensee as winnings, and for the purchase cost of prizes given as winnings, to exceed ten thousand dollars at the conclusion of such fund-raising event.

(2) No licensee authorized to conduct a fund-raising event on two occasions during a calendar year for not more than twenty-four consecutive hours each shall conduct such event in any manner so as to allow the total of all gross wagers and bets received by the licensee, less the amount of money paid by the licensee as winnings and for the purchase cost of prizes given as winnings to exceed ten thousand dollars either at the end of any twenty-four consecutive hours upon which such event is conducted, or during the calendar year in which such activity is authorized.

(3) The licensee shall develop and post conspicuously and in detail in the area in which the gambling is taking place a scheme for the distribution to the participants of any receipts beyond those permitted to the organization by this rule, and shall offer all participants at the event an equal opportunity to participate in such scheme. The scheme must provide for such distribution to be money, payable to the winner by a check. The scheme may provide for such distribution to be of more money than is necessary to ensure that the licensee will not retain greater receipts than are permitted by law, but, at minimum, must ensure that the limit is not exceeded.

(4) Winners of all prizes shall be determined during the fund-raising event. All cash prizes shall be paid by check, and merchandise prizes distributed to the winners not later than 30 calendar days following the conclusion of the event.

[Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-25-030, filed 6/15/84. Statutory Authority: RCW 9.46.070(7). 82-15-009 (Order 124), § 230-25-030, filed 7/9/82. Statutory Authority: RCW 9.46.020(23) and 9.46.070(14). 81-19-072 (Order 111), § 230-25-030, filed 9/15/81. Statutory Authority: RCW 9.46.020(23) and 9.46.070(1). 80-06-038 (Order 102), § 230-25-030, filed 5/12/80. Statutory Authority: RCW 9.46.070(10). 78-11-049 (Order 87), § 230-25-030, filed 10/20/78; Order 78, § 230-25-030, filed 11/17/77.]

WAC 230-25-033 Fund-raising events on New Year's Eve extending past midnight. For the purposes of computing and applying limitations in chapter 9.46 RCW and these rules upon income to the licensee and upon the number of events, or consecutive hours in such events, in a calendar year, a fund-raising event which (1) includes any part of December 31, and (2) continues past midnight into the new calendar year, shall be treated as if each hour of the event had been held solely in the calendar year designated

by the licensee upon the license application submitted to the commission for the event.

[Statutory Authority: RCW 9.46.020(23) and 9.46.070(14). 81-19-072 (Order 111), § 230-25-033, filed 9/15/81. Statutory Authority: RCW 9.46.070(13). 80-06-038 (Order 102), § 230-25-033, filed 5/12/80.]

WAC 230-25-040 Fund-raising event—House rules to be developed and posted—Limitations on wagers. Before conducting a fund-raising event, each licensee shall develop a set of house rules which will govern the type, scope and manner of all gambling activities to be conducted in conjunction with the fund-raising event. Among other information, these rules shall establish the maximum amount of wagers that may be placed by persons participating in gambling activities that in any event shall not exceed ten dollars being wagered upon the outcome of any one operation of an element of chance, except for raffles or other similar drawings, as set forth in RCW 9.46.0277.

In addition, the rules shall prohibit the giving of any thing of value to any person involved in the management or operation of the fund-raising event, and prohibit any person involved in the management or operation of the fund-raising event from accepting any thing of value.

A copy of the rules shall be posted conspicuously on the premises where the fund-raising event is being conducted at all times during the fund-raising event, and a copy thereof shall be made available, upon request, to any law enforcement officer or representative of the commission.

[Statutory Authority: RCW 9.46.0277 and 9.46.070. 96-07-077, § 230-25-040, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.020(23) and 9.46.070(14). 81-19-072 (Order 111), § 230-25-040, filed 9/15/81. Statutory Authority: RCW 9.46.070(10). 78-11-049 (Order 87), § 230-25-040, filed 10/20/78; Order 78, § 230-25-040, filed 11/17/77.]

WAC 230-25-050 Wagering among participants not permitted. No licensee to conduct a fund-raising event shall permit, as a part of that fund-raising event, a gambling activity which involves a wagering of money or other items of value by one participant against another participant. This rule shall not be construed to prohibit gambling activities wholly administered by the licensee wherein the licensee collects wagers from among the participants and determines the winners and amounts of prizes on a parimutuel basis.

[Order 78, § 230-25-050, filed 11/17/77.]

WAC 230-25-055 Use of chips, scrip or similar items at fund-raising event. All chips, scrip or similar items, used as a substitute for money at a fund-raising event shall be issued only during and at the fund-raising event itself.

No such chips, scrip or similar items shall be redeemed by any licensee after the event is concluded.

[Statutory Authority: RCW 9.46.070. 95-12-051, § 230-25-055, filed 6/2/95, effective 7/3/95; Order 80, § 230-25-055, filed 12/28/77.]

WAC 230-25-060 Coin-operated gaming devices prohibited. In no event shall coin-operated pull tab dispensing devices, or any other mechanical gambling or lottery device activated by insertion of a coin or other object be utilized at or in connection with the conduct of, the fund-raising event.

[Order 78, § 230-25-060, filed 11/17/77.]

WAC 230-25-065 Licensees may join together to conduct a fund-raising event. (1) Organizations holding a license to conduct a fund-raising event may join together with other organizations holding such a license to jointly conduct a fund-raising event providing that the following conditions are met:

(a) Prior approval to do so is received by each licensee from the commission for that particular fund-raising event;

(b) The method by which any income or losses and expenditures will be received, expended, and apportioned among the licensees conducting the fund-raising event is disclosed in writing to the commission, together with the application for the fund-raising event. Changes to the original application must be approved by the commission;

(c) The percentage of income or loss agreed to by any organization shall not be greater than the percentage needed for them to reach the maximum of \$10,000 for the calendar year;

(d) A lead organization and an event manager are designated in the application, with the lead organization having the responsibility for the central accounting system required by WAC 230-25-070, and compliance with WAC 230-25-030(3) regarding the distribution of receipts beyond those permitted in (2) below;

(e) Each licensee shall prepare a list of all persons from their organization taking part in the management or operation of the fund-raising event. Such list shall be available on the premises and contain, at a minimum, the name, address, telephone number, and a brief statement signed by the chief executive officer certifying that each member listed is a bona fide member as specified in RCW 9.46.020(15) and WAC 230-25-260.

(f) A fund-raising event report will be prepared and submitted by the lead organization as required by WAC 230-08-260; and

(g) Records are kept by each of the participating licensees which clearly disclose the amount of money received and expended in connection with the joint fund-raising event;

(2) The amount of income derived from the joint fund-raising event will not exceed the event limit of \$10,000. In addition, each participating organization must comply with annual limits imposed by RCW 9.46.020(23) and WAC 230-25-030. The joint fund-raising event shall count against only the lead organization or organizations receiving fifty percent or more of the allowable proceeds for the purposes of determining the number of such events an organization may conduct each year.

(3) The lead organization will be responsible for the deposit of the ending cash on hand and must comply with WAC 230-25-070(12). All funds due to any participating organization must be made by check and disbursed within 30 days following the end of the event.

[Statutory Authority: RCW 9.46.070 (8), (11) and (14). 89-15-039 (Order 194), § 230-25-065, filed 7/18/89, effective 8/18/89. Statutory Authority: RCW 9.46.010 and 9.46.070 (8) and (14). 85-03-025 (Order 143), § 230-25-065, filed 1/9/85. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-25-065, filed 6/15/84.]

WAC 230-25-070 Fund-raising events—Central accounting system required. Each licensee for the operation of fund-raising events shall establish and maintain a central accounting system in a form prescribed by the commission for all activities conducted at the fund-raising event. Licensees shall obtain accounting forms from the commission, or use machine copies of such forms.

Such system shall contain, but not be limited to, the following items:

(1) There shall be adequate personnel and physical areas to provide for the following minimum separation of duties:

(a) A banker, cashier, or count room to handle the original bankroll, provide coin or chips to the games, redeem chips and cash checks for the players;

(b) A runner to transport money, chips and lock boxes between stations of the event;

(c) Pit bosses, each of whom shall supervise the operation of not more than six gambling stations and who shall supervise the transfer of lock boxes and chips/change trays to the count room;

(d) An area for the counting of money which is segregated from the area in which gambling is conducted. All money received in connection with the fund-raising event shall be brought to this area for counting. Once any such money has been brought to this area, three persons shall be assigned to the count area with a minimum of two in the counting area at all times.

(2) The beginning bankroll shall be verified by at least two persons who shall sign such verification.

(3) There shall be documentation containing verifying signatures for the transfer of money between any two stations of the event.

(a) All count/fill slips shall be used sequentially. VOIDED count/fill slips will be signed by two persons and retained with accounting records.

(b) ALL UNUSED count/fill slips shall be retained along with all other count/fill slips as part of that fund-raising event's accounting records.

(4) All games shall be numbered and provided with lock boxes and money paddles. The money paddle shall remain in the lock box slot whenever it is not in use. The money slot of the lock box shall not exceed three and one-half inches in length and one-half inch in width.

(5) The keys to all lock boxes are to be kept in the count room at all times and the lock boxes are to be opened only in the count room by the count room personnel.

(6) All games are to be played using coin or chips and all currency tendered by the players shall be exchanged for coin or chips and immediately placed in the lock box by the dealer.

(7) All money and chips shall be transferred to the count room at the end of the day or event for final tabulation, reconciliation, and verification.

(8) The final tabulation and reconciliation shall be verified by at least three count room personnel who shall sign such verification.

(9) Access to the count room and the bankers and cashier's areas shall be restricted to the persons assigned to those functions and to the runner(s) who transport money or chips to or from those stations.

(10) Records shall provide sufficient detail to determine the net receipts of each activity conducted.

(11) The records shall contain a reconciliation of the ending cash on hand to net receipts.

(12) The ending cash on hand shall be deposited intact within two banking days of the conclusion of the event, and a validated deposit slip shall be included as part of the event records. There shall be no expenditure of any kind made from the ending cash prior to deposit. However, this subsection shall not prohibit a licensee from exchanging its ending currency and coin for a check of equal value to reduce the risk and exposure of carrying or storing large amounts of money.

This section shall not apply to those licensees whose receipts from the fund-raising event are limited to an admission charge or charge for a ticket, or tickets, to a drawing and who

(a) Conduct all activities with scrip, play money, or similar items which are redeemable only for merchandise prizes; and

(b) Who award only merchandise prizes that have been purchased by or donated to the licensee.

These licensees need only comply with WAC 230-08-010 and record their net receipts in sufficient detail to verify these amounts.

[Statutory Authority: RCW 9.46.070, 95-12-051, § 230-25-070, filed 6/2/95, effective 7/3/95. Statutory Authority: RCW 9.46.020(23) and 9.46.070(14), 81-19-072 (Order 111), § 230-25-070, filed 9/15/81. Statutory Authority: RCW 9.46.070(7), (8) and (10), 78-11-049 (Order 87), § 230-25-070, filed 10/20/78; Order 78, § 230-25-070, filed 11/17/77.]

WAC 230-25-100 Fund-raising events—Leasing of premises of retail business—Conditions. Fund-raising events shall not be operated upon a premises part of a retail sales or service business catering to the public except when:

(1) The room or other portion of the premises in which the fund-raising event is being conducted is separate and apart from the portion being used for the retail sales or service business;

(2) The business is closed to the public at all times during which the fund-raising event is conducted on the premises; or

(3) The fund-raising event is being conducted upon the premises of a bona fide charitable or bona fide nonprofit organization which is not also being used for a profit seeking business.

No licensee shall conduct a fund-raising event on or within any portion of a retail premise during the period any other fund-raising event is being conducted on or within any portion of that retail premise.

As used in this rule, separate and apart means a permanent or temporary partition which provides a solid, distinct separation between the portion of the room or premises in which the fund-raising event is being conducted and the portion of the room or premises being used for the retail sales or service business and which limits the flow between the fund-raising event and the retail sales or service business to not more than two designated openings.

In all cases the fund-raising event operator must have, and exercise, complete control over that portion of the premises being used for the fund-raising event, at all times said event is being conducted: *Provided, however,* That at all times when the sale, service or consumption of intoxicating liquor is permitted in said portion of the premises, the

responsibility for compliance with liquor laws and regulations shall also be that of the liquor licensee or permittee.

The owner, manager or any employee of the retail sales or service establishment may not be an officer of the fund-raising event operator or participate in the operation of the fund-raising event on that premises, and no gambling activities, nor any part or facet of the operation or play of any gambling activity, may be conducted by the retail sales or service establishment or allowed by the operators of the fund-raising event in any portion of the premises which is being used for the fund-raising event.

[Statutory Authority: RCW 9.46.020(23) and 9.46.070(14), 81-19-072 (Order 111), § 230-25-100, filed 9/15/81. Statutory Authority: RCW 9.46.070(1) and (10), 80-03-060 (Order 99), § 230-25-100, filed 2/25/80; Order 78, § 230-25-100, filed 11/17/77.]

WAC 230-25-110 Fund-raising event—Use of equipment, lease or rental from licensee only. Only those persons holding a valid license to sell or distribute punchboards, pull tabs, or pull tab dispensing devices and/or fund-raising event equipment shall be authorized to sell or lease gaming equipment to bona fide nonprofit or charitable organizations licensed to conduct fund-raising events for use in connection with a licensed fund-raising event. All rules and regulations of the commission relating to the sale or distribution of punchboards, pull tabs, or pull tab dispensing devices by such distributors, shall be likewise applicable to the sale or rental by them of gaming equipment and pull tabs for use in a licensed fund-raising event, except to the extent such rules are inconsistent with the provisions of this section: Provided, commission approval of such gaming equipment shall not be required, nor shall identification stamps be required for such equipment: Provided further, a licensee to conduct fund-raising events may sell, loan or rent equipment acquired for its own fund-raising event to another such licensee(s) for up to four events per year without being licensed as a distributor of fund-raising event equipment.

No sale or rental of gaming equipment for use in a licensed fund-raising event shall be transacted except on commercially reasonable terms established in the competitive market. All rentals shall be a lump sum or hourly rate, and shall not be based upon a percentage of the income or profit derived from the conduct of the fund-raising event.

No licensee to conduct fund-raising events shall purchase or rent gaming equipment except from another such licensee, or from a licensed distributor.

Any bona fide charitable or nonprofit organization licensed to conduct fund-raising events may utilize such equipment, not otherwise prohibited by law or these regulations, as is owned or constructed by such licensee, or which is borrowed or leased from another bona fide charitable or nonprofit organization which has been licensed by the commission to conduct fund-raising events.

No licensee to conduct fund-raising events shall use, or permit the use of, equipment owned by it for any purpose other than the operation of licensed fund-raising events, or other authorized gambling activities by the licensee: Provided, however, That the licensee may, within the twelve calendar month period following the conduct of the fund-raising event for which it was licensed, loan or rent such equipment to another bona fide charitable or nonprofit

organization for use in conjunction with a licensed fund-raising event.

[Statutory Authority: Chapter 9.46 RCW. 91-15-040 (Order 224), § 230-25-110, filed 7/17/91, effective 8/17/91. Statutory Authority: RCW 9.46.070. 88-19-038 (Order 183), § 230-25-110, filed 9/13/88. Statutory Authority: RCW 9.46.020(5) and § 1(5), chapter 326, Laws of 1977 ex. sess., and RCW 9.46.070(4). 78-03-061 (Order 81), § 230-25-110, filed 2/22/78; Order 80, § 230-25-110, filed 12/28/77.]

WAC 230-25-120 Limits upon amount for rent, lease or similar payments for fund-raising events.

Licensees shall not expend for rent or lease (or similar arrangements) of premises in which to hold a fund-raising event, or for any equipment or service in connection with the fund-raising event, an amount that exceeds the local prevailing or market price for such premises, equipment or service.

Maximum rental limits shall be:

(1) Premises and other goods or services: Not more than two hundred dollars for all, or any portion, of any twenty-four hour period.

This maximum fee shall include in addition to the use of the premises themselves any and all goods or services of any kind furnished by the person renting the premises to the licensee, or furnished by anyone with a substantial interest in, or immediate family relationship with, that person: *Provided*, That the limit shall not include (a) fees for gambling equipment which are governed by the maximums set out in (2) below; or (b) charges for food or drink to the licensee or patrons of the fund-raising event when the purchase of such food or drink is not, directly or indirectly, a condition of rental of the premises and the licensee may elect to bring in food and drink from an outside source.

(2) Gambling devices and equipment:

(a) Not more than four hundred dollars from each licensee for all, or any portion of, the first twenty-four hour period for all gambling devices and related equipment to conduct the event, including, but not limited to, cards, dice, cash boxes, shoes, chips, noncoin operated pull tab dispensing devices, pull tab scales, delivery thereof and any schooling in its use. This limitation shall not apply to the sale of pull tabs or the rental of a bingo horse racing device.

(b) Not more than two hundred and twenty-five dollars from each licensee for each succeeding twenty-four hour period, or any portion thereof, for the same kinds of items set out in (a) above.

(3) Individual gambling station:

(a) Not more than thirty dollars for all of the equipment needed to set up each single specific gambling station (such as a single twenty-one table), except for a craps table or a roulette wheel station which shall not exceed \$55 or for a station showing horse racing films with advance betting on the outcome of the races which shall not exceed \$250, or each station facilitating the operation of an electronic horse racing game, with advance betting on the outcome of the races which, shall not exceed \$325, for the first twenty-four hour period, or any portion thereof, including, but not limited to, the equipment, delivery and schooling in its use, to an overall maximum for all items of \$400, for each licensee as set out in (2)(a) above.

(b) Not more than twenty dollars for each successive twenty-four hour period or any portion thereof, for the equipment needed to establish each single specific gambling

station as set out in (a) above, to an overall maximum of \$225 for each licensee as set out in (2)(b) above.

(4) The maximum charges or limits set out in subsections (1) through (3) above include any amount paid to reserve the use of applicable premises, services or equipment.

No more than 50% of the total allowable fees or charges may be paid in advance of the event. Advance payment shall be made only by check which shall not be drawn or paid more than 90 days prior to the event.

The limits in subsections (2) and (3) above shall not apply to expenditures by the licensee for purchases outright, or construction by the licensee of, gambling equipment.

[Statutory Authority: RCW 9.46.070. 90-24-005 (Order 218), § 230-25-120, filed 11/26/90, effective 12/27/90; 88-19-038 (Order 183), § 230-25-120, filed 9/13/88. Statutory Authority: RCW 9.46.070 (11) and (14). 85-03-059 (Order 146), § 230-25-120, filed 1/15/85. Statutory Authority: RCW 9.46.020(23) and 9.46.070(14). 81-19-072 (Order 111), § 230-25-120, filed 9/15/81. Statutory Authority: RCW 9.46.070(15). 79-11-074 (Order 93), § 230-25-120, filed 10/19/79; 79-01-026 (Order 88), § 230-25-120, filed 12/18/78.]

WAC 230-25-150 Pull tabs at fund-raising events—

Authorized. Pull tabs are authorized for use at fund-raising events and shall be treated as conducted solely pursuant to the license to conduct a fund-raising event. Except where superseded by WAC 230-25-160, all rules applicable to the operation of pull tabs set forth in chapter 230-30 WAC shall be applicable to pull tabs utilized at fund-raising events.

[Statutory Authority: RCW 9.46.070. 88-19-038 (Order 183), § 230-25-150, filed 9/13/88.]

WAC 230-25-160 Pull tabs at fund-raising events—

Operational requirements—Limitations. The following requirements shall be utilized in the sale of pull tabs at fund-raising events.

(1) All pull tab series for use at fund-raising events shall contain the inspection identification stamps and record entry labels and shall be purchased for specific use at fund-raising events.

(2) Pull tabs shall be removed from the packaging container and mixed before selling to the public. All pull tabs will be sold out of a noncoin operated dispensing device (clear container). Pull tab prices shall be equal to the price set by the manufacturer for each specific series. The maximum price for any pull tab shall not exceed fifty cents.

(3) Up to a maximum of three pull tab series may be out for play at one time. All pull tabs shall be sold from a booth or similar confined area which prohibits public access to the pull tabs.

(4) Each pull tab series shall constitute a separate table and have a separate number. Each series shall have a separate corresponding lock box, money paddle, chip rack for making change and payment of prizes. All currency, coin, or chips used to purchase pull tabs, shall immediately be placed in the corresponding lock box by the attendant(s) on duty. All change given back to players shall be in the form of chips or coin.

(5) All winning pull tabs shall be defaced when cashed in and deposited in the corresponding lock box. Winning pull tabs shall be paid in chips and coin only. *Provided*: Winning pull tabs may be redeemed for additional tabs from

the same series only. When a winning pull tab of five dollars or more is cashed, the attendant shall conspicuously delete all references to that prize being available to players from the flare prior to awarding the prize. In addition, for prizes over twenty dollars, the attendant(s) will verify the winner's identity and record the date, and initial the winning pull tab. The winner shall be required to print their name and date of birth in ink on the winning pull tab or to an attached sheet of paper.

(6) When a series is removed from play, the series (including the flare), the corresponding lock box and chip rack shall be transported to the count room by a runner at which time the box shall be opened for tabulation. All gross gambling receipts collected, prizes paid and tabs sold shall be tabulated and recorded on the pull tab accounting report furnished by the commission in accordance with the instructions attached to the accounting report.

(7) After completing the count, winning pull tabs shall be packaged separately or banded and placed with the unused portion of that particular series in the original shipping container. The organization must retain the used series for a period of one year.

(8) At the completion of the fund-raising event, all series still out for play shall be transported to the count room in accordance with subsections (6) and (7) of this section. All unopened pull tab series shall be returned to the licensed distributor who furnished the series for a full refund. Pull tab series purchased for fund-raising events shall not be sold, or transferred.

[Statutory Authority: RCW 9.46.070. 94-07-084 (Order 250), § 230-25-160, filed 3/16/94, effective 4/16/94. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 93-12-082, § 230-25-160, filed 5/28/93, effective 7/1/93; 89-15-039 (Order 194), § 230-25-160, filed 7/18/89, effective 8/18/89. Statutory Authority: RCW 9.46.070. 88-19-038 (Order 183), § 230-25-160, filed 9/13/88.]

WAC 230-25-200 Bingo at fund-raising event.

Bingo games conducted as part of a licensed fund-raising event authorized by chapter 9.46 RCW shall be treated as conducted solely pursuant to the license to conduct that fund-raising event. All income, prizes awarded, and other expenses shall be separately accounted for, and reported to the commission, as fund-raising event activity. The following procedures apply to bingo conducted as part of a fund-raising event:

(1) All general requirements and limitations set out in chapter 230-25 WAC apply.

(2) Income from bingo games shall be applied only against the maximum income permitted for fund-raising events and shall not be applied against other maximum income limits imposed by chapter 9.46 RCW or the commission's rules.

(3) All of the commission's rules applicable to the conduct of bingo games shall apply: *Provided*, That the following rules shall not be applicable to bingo games conducted as part of a fund-raising event:

- (a) WAC 230-20-064;
- (b) WAC 230-20-065;
- (c) WAC 230-20-070;
- (d) WAC 230-20-170;
- (e) WAC 230-20-242; and
- (f) WAC 230-20-246(10).

(4) If disposable bingo cards are used to conduct bingo games at fund-raising events and the organization has a license to conduct bingo, the inventory control procedures of WAC 230-08-105 shall apply. A reference to all cards or packets of cards used shall be made in the inventory control records. If the organization does not have a license to conduct bingo, all unused cards or packets must be retained as part of the event record: *Provided*, That licensees may return unused cards or packets to the distributor if there are no breaks in the audit numbers of the unused portion. The distributor shall document the total number of cards or packets returned and the beginning and ending audit numbers.

[Statutory Authority: RCW 9.46.070. 94-11-095 (Order 251), § 230-25-200, filed 5/17/94, effective 7/1/94. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-25-200, filed 6/15/84; Order 78, § 230-25-200, filed 11/17/77.]

WAC 230-25-220 Raffles or similar drawings conducted at fund-raising events. Raffles or similar drawings may be conducted at fund-raising events so long as they meet the following requirements:

(1) No sales of tickets or drawing(s) in any raffle or similar drawing wherein the winner or winners are chosen by the drawing of a ticket or other card or device shall be done at, or in connection with, a licensed fund-raising event unless all aspects of the raffle or similar drawing are done only at the fund-raising event.

(2) If any ticket, card or other device for a raffle or similar drawing is sold, or any drawing for a raffle or similar drawing held, other than at and during a licensed fund-raising event, then no portion of the raffle or similar drawing shall be conducted at or during any licensed fund-raising event, nor shall the raffle or similar drawing be considered as being held under the fund-raising event license for any such fund-raising event.

(3) Raffles or other similar drawings wherein the winner or winners are chosen by the drawing of a ticket or other card or device conducted at, or as a part of, a licensed fund-raising event authorized by RCW 9.46.0311 shall be treated as conducted under the license to conduct that fund-raising event. All income, prizes awarded, and other expenses shall be accounted for, and reported to the commission, as required for fund-raising events but shall not be reported, or accounted for, as required for raffles conducted under a raffle license issued by the commission, or under different statutory authority: *Provided*, That the requirements of WAC 230-20-325 applicable to raffles shall be applicable to all such drawings conducted at a fund-raising event, except that single chances on drawings may be sold for up to twenty-five dollars per chance.

(4) Income from raffles or other drawings conducted at, or as a part of, such a fund-raising event shall be applied only against the maximum income permitted for fund-raising events and shall not be applied against other maximum income limits imposed by chapter 9.46 RCW or the commission's rules.

(5) All of the commission's rules applicable to the conduct of raffles, whether general or specific, shall apply to the conduct of raffles and to the conduct of other similar drawings wherein the winner or winners are chosen by the drawing of a ticket or similar card or device at, or as a part

of, a fund-raising event, except as provided in subsection (3) of this section and except the following rules which shall not be applicable:

- (a) WAC 230-08-070;
- (b) WAC 230-20-350;
- (c) WAC 230-12-020.

(6) Subsections (1) through (5) of this section shall not apply to a drawing held during a fund-raising event if the raffle is conducted under a raffle license issued by the commission, and all tickets for the raffle are sold and deposited into the drawing container before the beginning of the fund-raising event.

[Statutory Authority: RCW 9.46.0277 and 9.46.070. 96-07-077, § 230-25-220, filed 3/19/96, effective 7/1/96. Statutory Authority: RCW 9.46.070 (1), (2), (4), (5), (6), (9), (11), (14) and (17) and 9.46.020 (19) and (23). 85-17-015 (Order 153), § 230-25-220, filed 8/12/85. Statutory Authority: RCW 9.46.020 (1) and (23) and 9.46.070(1). 85-11-023 (Order 150), § 230-25-220, filed 5/13/85. Statutory Authority: RCW 9.46.020(23) and 9.46.070(14). 81-19-072 (Order 111), § 230-25-220, filed 9/15/81. Statutory Authority: RCW 9.46.070(10). 78-04-032 (Order 83), § 230-25-220, filed 3/16/78; Order 78, § 230-25-220, filed 11/17/77.]

WAC 230-25-230 Raffles or similar lotteries at fund-raising events—Tickets to be sold and income to be accounted for separately. (1) Tickets for entry into a raffle or similar lottery held at, and as a part of, a fund-raising event, wherein the winner or winners are determined by the drawing of a ticket from among tickets sold or issued, shall be sold or issued separately and each shall constitute a separate and equal chance to win with all other tickets sold or issued. No person shall be required to obtain more than one ticket, or to pay for anything other than the ticket, in order to enter any such raffle or similar lottery.

(2) The provisions of WAC 230-20-100 respecting receipting for, and accounting for, sales of raffle tickets and prizes shall apply to all such raffles and similar lotteries, which together shall be treated as raffles for the purposes of this rule. Each such raffle or similar lottery shall be accounted for separately from other activities in connection with the fund-raising event.

[Order 78, § 230-25-230, filed 11/17/77.]

WAC 230-25-235 Fund-raising event—Rules for blackjack. The game of "21" (blackjack) when played as part of a licensed fund-raising event shall be played in conformance with the following:

(1) Cards shall be dealt from a dealing shoe. The deal shall begin with the shoe containing four full decks of cards and proceed until, in the dealer's judgment, the cards should be reshuffled or the cards withdrawn for examination and/or replaced. The shoe shall then be refilled with four decks of cards and the process repeated.

(2) All cards shall be dealt to the players face up.

(3) Players are not to remove or pick up cards from the table and will not "shuffle" or "cut" the cards.

(4) Only "standard size" playing cards shall be used.

(5) Cards may be shuffled using a device, apparatus, or mechanism. No device, apparatus, mechanism or thing which may give a participant in a card game an advantage over any other participant in that game may be used by any organization or person.

[Statutory Authority: RCW 9.46.020(23) and 9.46.070(14). 81-19-072 (Order 111), § 230-25-235, filed 9/15/81. Statutory Authority: RCW 9.46.070(10). 78-11-049 (Order 87), § 230-25-235, filed 10/20/78.]

WAC 230-25-240 Prizes to be awarded only to persons who were present, and purchased tickets or made wagers, at fund-raising event. No prize or wager shall be paid or awarded in connection with a fund-raising event to any person who is, or was, not present at the event himself and personally there made the wager, or obtained the ticket or chance, resulting in such award or payment.

[Order 80, § 230-25-240, filed 12/28/77.]

WAC 230-25-250 Operation of punchboards at a fund-raising event prohibited. No licensee to conduct a fund-raising event shall operate punchboards as a part of that event.

[Statutory Authority: RCW 9.46.070. 88-19-038 (Order 183), § 230-25-250, filed 9/13/88; Order 80, § 230-25-250, filed 12/28/77.]

WAC 230-25-260 Bona fide member of organization conducting fund-raising event. (1) For the purposes of eligibility to participate in managing or otherwise assisting in the operation of a fund-raising event, a person is a bona fide member of a bona fide charitable or bona fide nonprofit organization only when he or she:

(a) Has become a member prior to the commencement of the fund-raising event and such membership was not dependent upon, or in any way related to the payment of consideration to participate in, any gambling activity; and

(b) Has (i) been admitted upon written application, only after investigation and ballot, with such action being recorded in the official minutes of a regular meeting, or (ii) has held full and regular membership status in the organization for a period of not less than twelve consecutive months prior to the subject fund-raising event; and

(c) Has paid reasonable initiation or admission fees for membership, and/or dues, consistent with the nature and purpose of the organization and with the type of membership obtained and is not in arrears in payment of such fees or dues; and

(d) Has met all other conditions required by the organization for membership and is in all respects a member in good standing at the time of the subject fund-raising event.

(2) Member or bona fide member shall include only members of an organization's specific chapter or unit licensed by the commission or otherwise actively conducting the fund-raising event: *Provided*, That

(a) Members of chapters or local units of a state, regional, or national organization may be considered members of the parent organization for the purpose of a fund-raising event conducted by the parent organization, if the rules of the parent organization so permit;

(b) Members of a bona fide auxiliary to a principal organization may be considered members of the principal organization for the purpose of a fund-raising event conducted by the principal organization. Members of the principal organization may also be considered members of its auxiliary for the purpose of a fund-raising event conducted by the auxiliary; and

(c) Members of any chapter or local unit within the jurisdiction of the next higher level of the parent organization, and members of a bona fide auxiliary to that chapter or unit, may assist any other chapter or local unit of that same organization licensed by the commission in the conduct of a fund-raising event.

[Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19), 84-13-038 (Order 140), § 230-25-260, filed 6/15/84. Statutory Authority: RCW 9.46.070(18), 78-04-032 (Order 83), § 230-25-260, filed 3/16/78.]

WAC 230-25-265 Fund-raising event—Regular salary for licensee's employee not "payment" for work on fund-raising event under certain conditions—Food and beverage exception. The salary of a regular and full time employee, or a regular but part time employee if the organization has employed a person in that part time position for the past three consecutive years, of an organization licensed to conduct fund-raising events shall not be deemed "payment" (as the term "paid" is used in RCW 9.46.0233) for work performed by the employee in connection with a fund-raising event conducted by that organization when all of the following conditions are met:

(1) The position held by the employee has been created for purposes unrelated to the conduct of fund-raising events and requires the performance of duties unrelated to fund-raising events year around. The employee's contribution to fund-raising events must be an incidental part of his or her total duties, consisting of less than 1% of total time worked for the organization; and

(2) The employee is paid on a recurring basis on a regular and established rate throughout the calendar year, unrelated to the income produced by any fund-raising event; and

(3) The employee does not operate any gambling game or lottery at any fund-raising event conducted by the organization but confines his or her services in connection with the event to assisting the organization's other members with the overall planning and organization of the event and with supervision of the supporting services for the event. However, such an employee who is also a bona fide member of the organization or its bona fide auxiliary and is not otherwise scheduled for duty in his or her assigned employee duties at the time the fund-raising event is to be held may participate in the conduct of the fund-raising event as a bona fide member as set out in WAC 230-25-260.

(4) For the purposes of this rule, the furnishing of food and nonalcoholic beverages to event volunteers, not to exceed \$20 per volunteer per event, shall not be construed as payment or compensation.

[Statutory Authority: Chapter 9.46 RCW. 91-05-047 and 91-06-008 (Orders 220 and 220A), § 230-25-265, filed 2/14/91 and 2/22/91, effective 3/17/91 and 3/25/91. Statutory Authority: RCW 9.46.020(23) and 9.46.070(14). 81-19-072 (Order 111), § 230-25-265, filed 9/15/81. Statutory Authority: RCW 9.46.070(13), 79-01-026 (Order 88), § 230-25-265, filed 12/18/78.]

WAC 230-25-270 Certain incidental functions at fund-raising event not part of management and operation of event. Persons who perform only the following incidental functions in connection with a fund-raising event shall not be deemed to be participating in the "management or operation" of such an event for the purposes of that portion of RCW

9.46.020(23) requiring that persons participating in the management or operation of the event be members of the licensee organization:

(1) The serving of food and drink to participants in the event;

(2) The parking of cars;

(3) Acting as a police officer for the purposes of maintaining general crowd control and order at the event, or to detect persons cheating the participants or the house, when that person is a commissioned law enforcement officer with the power to make arrests in the jurisdiction in which the event is being held or is the employee of a commercial securities service firm licensed by the city, town, or county, in which the event is being conducted to provide such services;

(4) Providing janitorial functions;

(5) Persons whose participation is limited to supervising personnel carrying out the functions enumerated in (1), (2), (3) and (4).

Provided, That the payment to persons to perform these functions does not exceed the local prevailing level of payment for a similar function at other than fund-raising events.

[Statutory Authority: RCW 9.46.070(13), 79-01-026 (Order 88), § 230-25-270, filed 12/18/78.]

WAC 230-25-310 Fund-raising event—List of workers to be available on premises. The licensee conducting a fund-raising event shall prepare and have available on the premises a list of all persons taking part in the management or operation of the fund-raising event. Such list shall contain the name, address, telephone number and a description of the type of membership in the organization of each person. The list shall be maintained as part of the licensee's records of the event and shall be made available to any law enforcement officer or representative of the commission upon request.

[Statutory Authority: RCW 9.46.020(23) and 9.46.070(7). 78-11-049 (Order 87), § 230-25-310, filed 10/20/78.]

WAC 230-25-315 Workers to wear identification tabs. Each licensee conducting a fund-raising event shall furnish to each person participating in the management or operation of the event an identification tag which at minimum shall contain that person's name and designation of licensee organization. The licensee shall cause each such person to wear this tag at all times when the person is working at the fund-raising event. The tag shall be worn in plain view so as to be easily seen and read by persons participating in the event. The type and style of tag shall be the option of the licensee.

[Statutory Authority: RCW 9.46.020(23) and 9.46.070(14). 81-19-072 (Order 111), § 230-25-315, filed 9/15/81.]

WAC 230-25-320 Limits for operation and participation in fund-raising events. No person under the age of eighteen years of age, and no person intoxicated or under the influence of any drug or substance shall be allowed to participate in the operation or management, or participate as a player, at any fund-raising event.

[Statutory Authority: RCW 9.46.020(23) and 9.46.070(14). 81-19-072 (Order 111), § 230-25-320, filed 9/15/81.]

WAC 230-25-330 Recreational gaming activity—Rules for play. An organization, business, or association shall conduct a recreational gaming activity in accordance with the following rules:

(1) Any gambling device utilized for such activity must be rented or obtained from a licensed distributor of fund-raising event equipment or a licensee authorized to conduct fund-raising events (not applicable to homemade, nonprofessional devices);

(2) Gambling of any type shall be prohibited on the premises where recreational gaming activity takes place;

(3) Scrip or chips having no value shall be utilized for each activity;

(4) There shall be no fee charged for the opportunity to participate or enter the premises: *Provided*, That a fee may be charged for an accompanying dinner, meal, or entertainment associated with the activity, as long as such a fee is only related to those additional activities and the costs incurred in renting the devices utilized in the activity;

(5) A scheme may be utilized whereby participants can redeem their scrip or chips for prizes; *Provided*: All prizes must be donated to or provided by the sponsoring organization;

(6) The activity shall be limited to eight hours. The director may, for good cause shown, grant additional time;

(7) The sponsoring organization must notify local law enforcement officials at least ten days prior to the commencement of the activity, and specify the date, time, and location of the activity.

[Statutory Authority: RCW 9.46.070 (4), (11), (14), (17) and (20). 96-09-071, § 230-25-330, filed 4/16/96, effective 7/1/96. Statutory Authority: RCW 9.46.070. 95-12-051, § 230-25-330, filed 6/2/95, effective 7/3/95. Statutory Authority: Chapter 9.46 RCW. 91-15-040 (Order 224), § 230-25-330, filed 7/17/91, effective 8/17/91.]

Chapter 230-30 WAC

PUNCHBOARDS AND PULL TABS

WAC

230-30-015	Substitute flares.
230-30-016	Replacement of commission identification stamps on pull tab dispensing devices.
230-30-018	Transfer of any gambling devices requiring identification and inspection services stamps to be affixed—Requirement for documentation.
230-30-025	Progressive jackpot pull tab games—Definitions—Restrictions—Manner of conducting—Record keeping—Approval.
230-30-030	Punchboard and pull tab quality control—Special inspections and transfer invoices—Special fees to recover costs.
230-30-040	Bonus pull tab games and carry-over jackpots—Definitions—Restrictions.
230-30-050	Punchboard and pull tab operation.
230-30-052	Punchboards and pull tabs operated by charitable or nonprofit organizations—Net income required.
230-30-055	Standards for construction of punchboards.
230-30-060	Punchboard restrictions.
230-30-065	Punchboard/pull tab price per play to be posted.
230-30-070	Control of prizes.
230-30-072	Punchboard and pull tab inventory control—Retention requirements—Audit adjustments.

230-30-075	Punchboard and pull tab prize restrictions—Minimum percentage of prizes available.
230-30-080	Pull tab dispensing limitations.
230-30-090	All devices must comply with rules.
230-30-097	Standards—Approved pull tab dispensing devices.
230-30-100	Punchboards and pull tabs to display name of its licensed manufacturer.
230-30-102	Pull tab series assembly and packaging.
230-30-103	Standards for construction of pull tabs.
230-30-104	Possession or sale of pull tab series in which winners or location of winners may be determined in advance—Prohibited.
230-30-105	Only one flare may be used with a punchboard or pull tab series.
230-30-106	Standards for flares made by manufacturers, distributors or operators.
230-30-110	Possession of duplicate numbered-color coded pull tab series prohibited.
230-30-130	Flare to display pull tab series number.
230-30-200	Punchboard and pull tab business restrictions.
230-30-210	Buying from and selling to only licensees required.
230-30-212	Punchboards, pull tabs and related equipment may be sold with sale of business.
230-30-213	Sale of punchboards, pull tabs and pull tab dispensing devices when license revoked, expired or voluntarily surrendered.
230-30-215	Trade-in of used pull tab dispensing devices permitted provided certain records are maintained.
230-30-220	Interest in separate business involving punchboards and pull tabs at a different marketing level prohibited.
230-30-300	Recall of defective punchboards, pull tabs or pull tab dispensing devices.
230-30-500	Rules applicable to operators of punchboards and pull tabs applicable as well to operators of either activity.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

230-30-010	Prior inspection or approval of punchboards, pull tabs, or devices for the distribution of pull tabs by the commission—Alternatives. [Order 5, § 230-30-010, filed 12/19/73, 1:25 p.m.] Repealed by Order 9, filed 12/19/73, 1:26 p.m.
230-30-020	Approval by sample. [Order 5, § 230-30-020, filed 12/19/73, 1:25 p.m.] Repealed by Order 9, filed 12/19/73, 1:26 p.m.
230-30-091	Unapproved mechanical or electrical coin-operated pull tab dispensing devices prohibited. [Order 42, § 230-30-091, filed 9/18/75, effective 6/1/76.] Repealed by Order 55, filed 6/25/76.
230-30-095	Pull tab dispensing devices to be submitted to commission for approval prior to sale. [Order 55, § 230-30-095, filed 6/25/76; Order 45, § 230-30-095, filed 12/30/75.] Repealed by 93-12-082, filed 5/28/93, effective 7/1/93. Statutory Authority: RCW 9.46.070.
230-30-998	Punchboard and pull tab retention requirements—Test. [Statutory Authority: RCW 9.46.070. 94-01-032, § 230-30-998, filed 12/6/93, effective 1/6/94.] Repealed by 94-24-054 (Order 261), filed 12/5/94, effective 1/5/95. Statutory Authority: Chapter 9.46 RCW.
230-30-999	Test of continuous play/open ended pull tab series. [Statutory Authority: RCW 9.46.070 (8), (11) and (14). 85-03-024 (Order 142), § 230-30-999, filed 1/9/85.] Repealed by 87-15-052 (Order 169), filed 7/14/87. Statutory Authority: Chapter 9.46 RCW.

WAC 230-30-015 Substitute flares. A substitute flare may be utilized on punchboards or pull tabs. Substitute flares shall have the Washington state identification and inspection services stamp number assigned to the punchboard or pull tab series permanently recorded in ink on the face of the substitute flare. Such flare shall also show the series

number assigned to that device by the manufacturer. If a substitute flare is used for a pull tab series, then the manufacturer's flare, with the manufacturer's series number and the identification and inspection services stamp obtained from the commission thereon, shall be attached to the back of the substitute flare in such a manner as to be clearly visible to a person playing the device.

The responsibility for recording the Washington state identification and inspection services stamp number on the substitute flare shall rest with the manufacturer, distributor, or operator who changes the original flare and attaches the substitute flare.

[Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-13-060 (Order 179), § 230-30-015, filed 6/14/88. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-30-015, filed 6/15/84. Statutory Authority: RCW 9.46.070 (6) and (11). 81-21-033 (Order 114), § 230-30-015, filed 10/15/81. Statutory Authority: RCW 9.46.070(5). 81-13-032 (Order 109), § 230-30-015, filed 6/15/81; 79-07-019 (Resolution No. 90), § 230-30-015, filed 6/14/79; Order 48, § 230-30-015, filed 3/23/76; Order 21, § 230-30-015, filed 8/20/74; Order 9, § 230-30-015, filed 12/19/73.]

WAC 230-30-016 Replacement of commission identification stamps on pull tab dispensing devices. (1) Notwithstanding any other provisions in these rules, a licensed operator or distributor of pull tab dispensing devices may obtain a commission identification stamp to replace an identification stamp affixed to a pull tab dispensing device that has become unidentifiable due to wear: *Provided*, That the operator or distributor furnish to the commission:

(a) The invoice from the operator, distributor or manufacturer for the purchase of the dispensing device in question, or

(b) A complete notarized description of the pull tab dispensing device, serial number, manufacturer, and the commission stamp number previously affixed to the device.

(2) The request for replacement of the commission identification stamp shall be submitted on a form provided by the commission. The fee for replacement of the commission identification stamps shall be as required by WAC 230-04-202 and/or 230-04-203.

[Statutory Authority: Chapter 9.46 RCW. 94-24-056 (Order 262), § 230-30-016, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-30-016, filed 6/15/84; Order 48, § 230-30-016, filed 3/23/76.]

WAC 230-30-018 Transfer of any gambling devices requiring identification and inspection services stamps to be affixed—Requirement for documentation. (1) Persons selling or otherwise furnishing punchboards, pull tabs, or pull tab dispensing devices shall account for every such device received and/or transferred. All transfers shall be made by completing a sales invoice or credit memo. Each invoice or credit memo shall set out the identification and inspection services stamp number affixed to each device transferred.

(2) Manufacturers shall maintain records that will allow accountability for all identification and inspection services stamps issued to them by the commission, for at least three years after they are affixed to devices and sold. This accountability shall be by indefinite retention of unused or damaged stamps or by records as set out in WAC 230-08-025: *Provided* that damaged stamps may be returned to the

commission and will be replaced with serviceable stamps if they are accompanied by a detailed listing of the damaged stamp numbers and a ten cent per stamp service charge.

[Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-13-060 (Order 179), § 230-30-018, filed 6/14/88. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-30-018, filed 6/15/84; Order 23, § 230-30-018, filed 9/23/74.]

WAC 230-30-025 Progressive jackpot pull tab games—Definitions—Restrictions—Manner of conducting—Record keeping—Approval. For purposes of this title, the following definitions, restrictions, operating procedures, and record keeping requirements apply to such devices.

(1) Definitions:

(a) Progressive jackpot prize - A minimum jackpot prize plus the accumulation of a predetermined dollar amount of each pull tab sale. The jackpot shall increase for each pull tab sale until a player redeems the winning jackpot tab.

(b) Bank system - a set of up to ten dispensing devices networked together. These devices shall be linked to a computer system capable of calculating total sales and the accumulation of the jackpot prize.

What are the operating conditions governing dispensing devices used for progressive jackpot pull tabs?

(2) Progressive jackpot pull tab dispensing devices may be operated under the following conditions:

(a) All machines in a bank system must be located together on the license premises;

(b) Each bank system must be linked to a computer system which monitors all sales and the accumulation of the jackpot prize;

(c) A licensee may have more than one bank system operating at one time, but at no time shall a bank system exceed ten machines;

(d) From the effective date of this rule, the number of progressive pull tab dispensing devices per location shall be limited to ten machines for commercial stimulant licensees and twenty machines for charitable or nonprofit licensees. The director may approve an increase in the number of machines upon receipt of a written request by the licensee if the director determines that the licensee is in compliance with all regulations and approval would not be detrimental to the interests of the commission and/or the public;

Under what conditions may progressive jackpot pull tab games be operated?

(3) Progressive jackpot pull tab games shall be conducted in the same manner as other pull tab games. In addition, the following requirements apply:

(a) An owner or licensed commercial or charitable or non-profit gambling manager shall be on the premises at all times during the operation of progressive jackpot pull tab games;

(b) Tabs shall be stored in secured locations with access limited to authorized individuals only;

(c) The licensee shall have sufficient funds available to pay all prizes upon redemption of winning tabs. Failure to have sufficient funds available shall be *prima facie* evidence of defrauding the public in violation of RCW 9.46.190;

(d) The current jackpot prize total must be clearly displayed near the bank of machines at all times during the sale of progressive pull tabs. The maximum jackpot prize amount shall also be disclosed near the bank of machines;

(e) One flare shall be prominently displayed near the bank of machines;

(f) The following are prohibited for use with progressive jackpot pull tab games:

- (i) Substitute flares;
- (ii) Merchandise prizes; and
- (iii) Last sale prizes.

What are the operating conditions governing prizes and the payout regimen?

(4) The following conditions apply to the prize and payout regimen for progressive jackpot pull tab games:

(a) Only the minimum possible jackpot prize shall be included in determining the sixty percent payout, as required by WAC 230-30-075;

(b) The manufacturer shall determine the minimum jackpot amount needed to meet the sixty percent payout requirement;

(c) Operators may increase the minimum jackpot amount prior to putting the game in play;

(d) The maximum progressive jackpot prize shall not exceed five thousand dollars, as required by WAC 230-30-075(2). However, operators may elect to set the maximum jackpot at an amount less than five thousand dollars; and

(e) The licensed operator shall set the amount to be added to the jackpot prize for each ticket sold. This amount will remain the same for each pull tab sold from a game; Provided, that the jackpot prize may not exceed the maximum jackpot prize detailed in (4)(d) above;

How must winning tabs be redeemed?

(5) Winning tabs shall be redeemed in the same manner as required by WAC 230-30-070. The following requirements also apply:

(a) For jackpot prizes one thousand two hundred dollars and over, the winner's full name, address, and social security number shall be recorded on a separate form for income tax purposes;

(b) At least the minimum jackpot prize amount shall be paid by check. The licensee shall record the check number in addition to the information required in WAC 230-30-070(5). These checks may not be cashed on the licensed premises; and

(c) All jackpot winning tabs must be defaced immediately upon receipt;

What records must I keep, and for how long must they be retained?

(6) All record keeping requirements outlined in WAC 230-08-010 must be followed, in addition to the following:

(a) All winning tabs and winner information for jackpot prizes, along with the game flares, must be retained for one year from the date in which the games were removed from play;

(b) Licensees shall record progressive jackpot games on a separate monthly record in a format prescribed by the

commission. This format must contain the following in addition to the information required by WAC 230-08-010(9):

(i) Dollar amount of each pull tab sale contributed to the jackpot;

(ii) Separate prizes paid figures for jackpot prizes and regular prizes; and

(iii) Prizes paid by check;

(c) Licensees are required to maintain records for each game/bank system detailing:

(i) The beginning jackpot prize amount;

(ii) The number of tickets sold out of each dispensing device; and

(iii) The ending jackpot prize amount;

(d) The above records must be maintained for a period of not less than three years from the end of the fiscal year for which the records are kept.

What aspects of a progressive pull tab system require agency approval and what standards are applicable to this approval process?

(7) The director shall approve all progressive jackpot pull tab games and all progressive jackpot dispensing devices. In addition, the director shall approve all computer software used to link dispensing devices, accrue jackpot prizes, and store data used in preparing records. Any costs related to the approval of progressive jackpot pull tab games, progressive jackpot dispensing devices, and computer software used to link dispensing devices, accrue jackpot prizes, or store data used in preparing records shall be billed to the persons requesting approval.

(a) The following shall be approved prior to sale in Washington:

(i) The progressive jackpot dispensing device;

(ii) The process used to manufacture the progressive jackpot games;

(iii) The secondary win code system;

(b) Computer software requiring the approval of the director shall be subject to the following standards;

(i) For each game, no person other than the maker of the software shall be able to alter data once it is input into the system;

(ii) The system must stop accruing when the jackpot amount reaches \$5,000 or the maximum amount predetermined by the operator;

(iii) A record of transactions for a game must be retained in memory until the transactions have been totaled, printed, and cleared by the operator regardless of whether the unit's primary power source is interrupted.

[Statutory Authority: RCW 9.46.070, 9.46.120, 9.46.0273, 9.46.310 and 34.05.313. 96-24-006 (Order 305), § 230-30-025, filed 11/21/96, effective 1/1/97.]

WAC 230-30-030 Punchboard and pull tab quality control—Special inspections and transfer invoices—Special fees to recover costs. (1) Special inspections - the commission shall have the authority to select any punchboard or pull tab series, whether held by an operator, distributor, or manufacturer and to examine the quality and/or integrity of the punchboard or pull tab series in any manner, including punching out or pulling all chances remaining thereon: *Provided*, That if the punchboard or pull tab series so inspected is thereby altered in any manner and

no defect, alteration, deceptive condition, or other violation is discovered, then the owner shall be reimbursed by the commission for his cost for the punchboard or pull tab series, and the device shall become the property of the commission. *Provided further*, That for each such punchboard or pull tab series inspected which is found to be defective in any area related to a quality control deficiency, by the manufacturer, a fee not to exceed \$100.00 per each such punchboard or pull tab series inspected may be assessed by the commission against the manufacturer of the punchboard or pull tab series to compensate the commission for the inspection.

(2) Transfer invoices - any manufacturer, distributor, or licensed representative of either, that fails to accurately complete any invoice for the sale or return of a punchboard, pull tab series, dispensing device, or related merchandise as required by WAC 230-30-018 may be assessed a fee of up to \$50.00 per invoice. The fee shall be used to defray extra costs incurred by the commission in tracking transfers or other monitoring procedures as a result of errors or omissions.

[Statutory Authority: RCW 9.46.070(6), 89-21-069 (Order 198), § 230-30-030, filed 10/17/89, effective 11/17/89. Statutory Authority: RCW 9.46.070 (1), (4), (5), (6), (7), (11), (14) and (17) and 9.46.310, 85-01-065 (Order 145), § 230-30-030, filed 12/18/84. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19), 84-13-038 (Order 140), § 230-30-030, filed 6/15/84; Order 5, § 230-30-030, filed 12/19/73.]

WAC 230-30-040 Bonus pull tab games and carry-over jackpots—Definitions—Restrictions. For purposes of this title, the following definitions, restrictions, and requirements apply to bonus pull tab games and carry-over jackpots:

(1) Definitions:

(a) Bonus pull tab game - A pull tab game that includes a predetermined number of pull tabs which allow a player the opportunity to advance to a bonus section to determine the prize.

(b) Carry-over jackpot prizes - A designated jackpot prize on a bonus pull tab game which, if not won, is carried over to another bonus pull tab game. There is no progression of the jackpot prize based on sales or receipts.

What are the requirements of bonus pull tab games?

(2) Bonus pull tab games must comply with the following:

(a) Each flare shall clearly set out the following:

(i) All prizes available, in accordance with WAC 230-30-106 (2)(b);

(ii) The number of chances available to advance and win a larger prize; and

(iii) The number of winning tabs at each prize level;

(b) Only guaranteed or minimum prizes may be used in calculating the sixty percent payout required by WAC 230-30-075.

(c) "Last sale" prizes are not allowed on bonus pull tab games.

What additional requirements apply to bonus pull tab games with carry-over jackpots?

(3) Bonus pull tab games with carry-over jackpot prizes must meet the following additional requirements:

(a) The carry-over jackpot prize amount shall not be included in the sixty percent payout calculation;

(b) The amount of the carry-over jackpot prize and the method of carry-over shall be determined by the manufacturer and disclosed on the flare;

(c) Carry-over jackpot prize amounts may not exceed two thousand five hundred dollars as required by WAC 230-30-075(2); and

(d) Carry-over jackpot prizes are authorized only on flares designed for bonus pull tab games. No substitute flares are allowed.

In bonus pull tab games with carry-over jackpots, how must winning tickets be redeemed and what records should I keep?

(4) The following requirements apply to the redemption of winning tickets and record keeping for bonus pull tab games with carry-over jackpots:

(a) For jackpot prizes one thousand two hundred dollars and over, the winner's full name, address, and social security number shall be recorded on a separate form for income tax purposes;

(b) All winning tabs and winner information for jackpot prizes over five hundred dollars, along with the game flares, must be retained for at least one year from the date from which the games were removed from play;

(c) Winning tabs shall be redeemed in the same manner as required by WAC 230-30-070. For prizes where the winning tab is part of the flare, the amount of the prize awarded and the information required to be documented in WAC 230-30-070 (7)(a) shall be recorded on a separate piece of paper, as authorized by WAC 230-30-070 (7)(c); and

(d) Operators are required to maintain a separate record documenting the flow of carry-over jackpots from one game to another.

(e) Once all opportunities in a section of the flare have been won, all references to prizes no longer available to be won must be deleted from the flare.

What aspects of bonus pull tab games with carry-over jackpots require agency approval, and what standards are applicable to this approval process?

(5) The director shall approve all bonus pull tab games with carry-over jackpot prizes.

(a) The following shall be approved prior to sale in Washington:

(i) The manufacturing process used to manufacture bonus pull tab games with carry-over jackpot prizes; and

(ii) The secondary win code system.

(b) Any costs related to the approval of bonus pull tab games with carry-over jackpot prizes shall be billed to the persons requesting approval.

[Statutory Authority: RCW 9.46.070, 9.46.120, 9.46.0273, 9.46.310 and 34.05.313, 96-24-006 (Order 305), § 230-30-040, filed 11/21/96, effective 1/1/97.]

WAC 230-30-050 Punchboard and pull tab operation. (1) No person under the age of eighteen years and no person visibly intoxicated or visibly under the influence of any narcotic, shall be allowed to play or sell any punchboard or pull tab device. It shall be the responsibility of the

licensee and the responsibility of the person physically operating the punchboard or pull tab device to determine that no unauthorized person is allowed to play or sell.

(2) No operator shall permit the display or operation of any punchboard or pull tab which may have in any manner been marked, defaced, tampered with or otherwise placed in a condition, or operated in a manner, which may deceive the public or which affects the chances of winning or losing upon the taking of any chance thereon.

(3) All pull tabs must be sold from a commission approved dispensing device or a clear container. If pull tabs are sold out of a clear container, the complete series must be placed in a container and mixed prior to being offered for sale. Failure to mix may result in a minimum five day suspension of license for each series not mixed. Licensees may bundle pull tabs into stacks of up to twenty dollars, provided the bundles are thoroughly mixed prior to sale to the public.

(4) All records, reports and receipts relating to a punchboard or pull tab series in play must be retained on the licensed premises so long as the series or punchboard is in play and be made available on demand to law enforcement officers and representatives of the commission.

(5) When operators purchase merchandise to be used as prizes on punchboards or pull tab series from other than a licensed distributor, the following information must be on the invoice provided by the seller:

- (a) The date of purchase;
- (b) The company's name and adequate business address;
- (c) A full description of each item purchased;
- (d) The quantity of items purchased;
- (e) The cost per individual items purchased; and
- (f) The sales invoice or receipt must be maintained by the operator for at least three years.

[Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4). 95-23-109, § 230-30-050, filed 11/22/95, effective 1/1/96. Statutory Authority: RCW 9.46.070. 94-11-095 (Order 251), § 230-30-050, filed 5/17/94, effective 7/1/94. Statutory Authority: RCW 9.46.070 and chapter 34.05 RCW. 90-21-053, § 230-30-050, filed 10/15/90, effective 11/15/90. Statutory Authority: RCW 9.46.070 (4), (8), (11) and (14). 86-07-037 (Order 155), § 230-30-050, filed 3/14/86. Statutory Authority: RCW 9.46.020 (1) and (23) and 9.46.070(1). 85-11-023 (Order 150), § 230-30-050, filed 5/13/85. Statutory Authority: RCW 9.46.070(8). 81-21-033 (Order 114), § 230-30-050, filed 10/15/81; Order 5, § 230-30-050, filed 12/19/73.]

WAC 230-30-052 Punchboards and pull tabs operated by charitable or nonprofit organizations—Net income required. Charitable or nonprofit organizations operating punchboards and pull tabs shall not pay excessive expenses. To ensure that licensees meet the intent of RCW 9.46.010 and to prevent the payment of excessive expenses, net income, as a percentage of gross receipts, shall not be less than the limits set out in subsections (1) and (2) below when measured over the annual license period. The limits set out in Table 1. of WAC 230-20-064 shall apply to organizations operating punchboards and pull tabs in conjunction with a bingo game. Net income limits:

- (1) Class A and B licensees - Net income of at least 5.5%, before deduction of local taxes; and
- (2) Class C and above licensees - Net income of at least 7.0%, before deduction of local taxes.

[Statutory Authority: RCW 9.46.070 (1)(16). 90-10-007, § 230-30-052, filed 4/19/90, effective 7/1/90.]

WAC 230-30-055 Standards for construction of punchboards. All punchboards sold for use in the state of Washington must comply with the following standards:

(1) **Patterns:** The punchboard shall be manufactured with special care so as to eliminate any patterns between punchboards, or portions of punchboards, from which the location or approximate location of winning punches may be determined. Manufacturers shall employ at least the following steps to insure that no pattern exists.

(a) The form or permanent number sheets shall be mixed prior to cutting;

(b) After the strips (straws) have been crimped, all strips shall be thoroughly mixed prior to insertion in punchboards;

(c) When filling punchboards, workers shall alter the procedures for filling sets of punchboards; and

(d) No more than eight punchboards from any one set of boards shall be included in any case of punchboards for shipment to Washington.

(2) **Serial numbers:** Effective July 1, 1988, serial numbers set forth on the form or permanent number sheets shall be nonsequential so as to ensure that no pattern is created which would permit the tracking of boards through the serial number.

(3) **Guaranteed numbers:** All numbers or symbols designated as winners on the flare must be guaranteed by the manufacturer as being present in the board. The manufacturer may at their option place a sticker or equivalent on the back of each punchboard setting forth additional numbers or symbols that are guaranteed to be in the board. The additional numbers or symbols on the back of the board shall not exceed 5% of the total punches in the board without the written permission of the commission.

(4) **Security:** All punchboards must be sealed so it is impossible to determine the number or symbol of any punch prior to being punched out of the board by any method or device including but not limited to the use of markings or light.

(5) **Step-up boards:**

(a) All cards, straws, or punches that contain the winners in the step-up portion of any punchboard shall be completely sealed so as to prevent premature winner identification and such items shall be thoroughly mixed so as to ensure that no pattern of winners exists.

(b) Step-up boards that contain winners covered by seals must have at least twenty-five different face sheets for use on that specific step-up board. Face sheets shall be utilized in such a manner so as to ensure random distribution during the manufacturing process.

[Statutory Authority: RCW 9.46.070 (11) and (14). 87-24-016 (Order 173), § 230-30-055, filed 11/23/87.]

WAC 230-30-060 Punchboard restrictions. No operator shall put out for play, and no manufacturer shall sell or furnish to any person, any punchboard:

- (1) To which any key to any winning number, or symbol, exists other than a key which is furnished to the operator, which key designates the color codes for all

chances on that board without regard to whether or not such chances are designated winners.

(2) Which has taped sides, corners, or edges.

(3) Wherein the winning punches or approximate location of any winning punches can be determined in advance of punching the punchboard in any manner or by any device, including, but not limited to, any patterns in manufacture, assembly, packaging or programming. Winning punches shall be randomly distributed and mixed among all other punches in the punchboard. The punchboard shall be manufactured or programmed with special care so as to eliminate any pattern as between punchboards, or portions of punchboards, from which the location or approximate location of the winning punches may be determined.

[Statutory Authority: RCW 9.46.070. 94-07-084 (Order 250), § 230-30-060, filed 3/16/94, effective 4/16/94; 93-12-082, § 230-30-060, filed 5/28/93, effective 7/1/93. Statutory Authority: Chapter 9.46 RCW. 87-03-023 (Order 164), § 230-30-060, filed 1/13/87. Statutory Authority: RCW [9.46.]070 (1), (2) and (11) and [9.46.]110. 85-21-046 (Order 154), § 230-30-060, filed 10/14/85. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-30-060, filed 6/15/84; Order 5, § 230-30-060, filed 12/19/73.]

WAC 230-30-065 Punchboard/pull tab price per play to be posted. (1) No punchboard or pull tab series shall be placed out for public play unless the cost to the player for each punch or pull tab is clearly posted on the flare.

(2) Once placed out for public play, a punchboard or pull tab series flare may not be modified or otherwise changed, except for the deletion of prizes as required by WAC 230-30-070.

[Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4). 95-23-109, § 230-30-065, filed 11/22/95, effective 1/1/96. Statutory Authority: RCW 9.46.070(11). 82-13-054 (Order 121), § 230-30-065, filed 6/14/82.]

WAC 230-30-070 Control of prizes. *What may be awarded as a punchboard or pull tab prize?*

(1) All prizes from the operation of punchboards and pull tabs shall be awarded in cash or in merchandise. No licensee shall offer to pay cash in lieu of merchandise prizes which may be won.

(a) Value of merchandise prizes. For purposes of this rule, the retail value of a merchandise prize shall be the amount actually paid therefor by the licensed operator plus 50 percent of that actual cost.

[(b)] Additional chances on a punchboard or pull tab game may not be awarded as a prize. Provided, That prizes may involve the opportunity to advance and win bonus prizes on the same punchboard or pull tab game as set forth in subsection (3) below.

What is a bonus prize?

(2) A bonus prize is a prize offered in a bonus pull tab game, defined in WAC 230-30-040(1). The awarding of the prize involves an immediate, additional opportunity to advance to a section of the game to determine the prize.

What additional requirements apply to the offering of bonus prizes?

(3) The bonus prizes may not be less than the highest prize available, whether cash or merchandise, which might otherwise have been won by the punch or pull tab for which the opportunity was awarded. Each punchboard or pull tab game offering bonus prizes must clearly indicate on its flare the terms and conditions under which the bonus prize may be won, including the amount of the bonus prize.

How must prizes be displayed?

(4) The licensee shall display prizes so that a customer can easily determine which prizes are available from any particular punchboard or pull tab series or device operated or located upon the premises. In addition, the following requirements apply.

(a) Merchandise prizes shall be displayed as follows:

(i) In the immediate vicinity of the punchboard or pull tab series and in plain view;

(ii) If size or space constraints do not allow the prize to be displayed as provided in (a)(i) of this subsection, the merchandise prize may be displayed elsewhere on the premises provided that a specific reference to that actual prize is noted on the flare; or

(iii) If the merchandise prize cannot be displayed on the premises, an accurate description and/or photograph of the prize must be displayed in plain view on or immediately adjacent to the flare.

(b) Cash prizes shall be clearly represented on the prize flare;

(c) Combination cash and merchandise prizes must meet the requirements of both subsections (a) and (b) of this subsection;

What is the procedure for removing prizes from flares and presenting prizes to winning players?

(5) The following procedures apply to the removal of prizes from the game flare and the presentation of prizes to winning players:

(a) Upon determination of a winner of a merchandise prize, the licensee shall immediately remove that prize from the flare and present the prize to the winner upon demand;

(b) Upon determination of a winner of any cash prize of twenty dollars or more, or of any merchandise prize with a retail value of twenty dollars or more, the licensee shall permanently and conspicuously delete all references to that prize from any flare, punchboard, or pull tab dispensing device upon which such reference may appear, and from any other list, sign, or notice which may be posted, in such a manner that all future customers will know the prize is no longer available. On bonus punchboards and bonus pull tab games, once all opportunities in a section of the flare have been won, all references to prizes no longer available to be won must be deleted on the flare. Operators may correct an inadvertently deleted prize by noting on the flare that such prize is still available. Such reference shall be permanently and conspicuously deleted when the prize is actually awarded. Failure to permanently and conspicuously delete a prize from the flare may result in the director initiating actions to revoke a license for violation of RCW 9.46.190 (defrauding a participant). The prize shall be paid or delivered to the winner only after all reference to such prize has been deleted from the flare.

What must I do if someone buys out a punchboard or pull tab game?

(6) Payment of prizes. The licensee must pay or award to the customer or player playing the punchboard or pull tab series all such prizes that are required to be, but have not been, deleted from the flare when the punchboard or pull tab series is completely played out.

What is the procedure for redemption of winning pull tabs or punches?

(7) Record of winners. When any person wins a cash prize of over twenty dollars or wins a merchandise prize with a retail value of more than twenty dollars from the play of any punchboard or pull tab series, the licensee or licensee's representative shall make a record of the win. The record of the win shall be made in the following manner:

(a) The winners shall be required to print their name and date of birth, in ink, upon the side of the winning punch or tab opposite the winning symbol(s);

(b) The licensee or their representative shall then verify the winner's identity and record the date and initial the winning punch or tab; and

(c) If the pull tab or punch is constructed or printed in such a manner as to preclude recording the information required in (a) and (b) of this subsection in a legible manner, the licensee may record the required information on a sheet of paper not less than three inches by five inches and staple the winning tab or punch thereto.

(8) Defacing winning punches or tabs. The licensee shall, within twenty-four hours after a winning pull tab or punch of twenty dollars or more has been presented for payment, mark or perforate the winning symbols in such a manner that the pull tab or punch cannot be presented again for payment.

What special operating conditions apply to spindle, banded, or jar type pull tab games which award merchandise prizes only?

(9) Spindle, banded, or "jar" type pull tabs played in a manner which awards merchandise prizes only. Pull tab series which award only merchandise prizes valued at no more than twenty dollars, are hereby permitted to employ schemes whereby certain predesignated pull tabs are free or the player is otherwise reimbursed the actual cost of said pull tabs. Flares for spindle-type pull tabs operated in this manner shall designate the total number of pull tabs in the series and the total number of pull tabs designated as free or reimbursable. Free or reimbursable pull tabs in these types of pull tab series shall not constitute a prize or prizes nor shall moneys collected and later reimbursed constitute revenue for the purposes of determining gross receipts.

[Statutory Authority: RCW 9.46.070, 9.46.120, 9.46.0273, 9.46.310 and 34.05.313. 96-24-006 (Order 305), § 230-30-070, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4). 95-23-109 and 95-24-048, § 230-30-070, filed 11/22/95 and 11/30/95, effective 1/1/96. Statutory Authority: RCW 9.46.070. 94-23-094, § 230-30-070, filed 11/17/94, effective 1/1/95. Statutory Authority: Chapter 9.46 RCW. 91-21-053 (Order 228), § 230-30-070, filed 10/15/91, effective 11/15/91. Statutory Authority: RCW 9.46.070. 90-24-005 (Order 218), § 230-30-070, filed 11/26/90, effective 12/27/90. Statutory Authority: RCW 9.46.070 (11) and (14). 90-11-058, § 230-30-070, filed 5/15/90, effective 6/15/90. Statutory Authority: RCW

34.05.220(4), [34.05].230 and 9.46.070 (11) and (14). 90-05-032 (Order 205), § 230-30-070, filed 2/14/90, effective 3/17/90. Statutory Authority: RCW 9.46.070 (11) and (14). 89-17-056 (Order 196), § 230-30-070, filed 8/15/89, effective 9/15/89. Statutory Authority: RCW 9.46.[070] (8), (14). 87-17-052 (Order 171), § 230-30-070, filed 8/18/87. Statutory Authority: Chapter 9.46 RCW. 87-03-023 (Order 164), § 230-30-070, filed 1/13/87. Statutory Authority: RCW [9.46.]070 (1), (2) and (11) and [9.46.]110. 85-21-046 (Order 154), § 230-30-070, filed 10/14/85. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 85-03-024 (Order 142), § 230-30-070, filed 1/9/85. Statutory Authority: RCW 9.46.070 (8) and (11). 82-01-065 and 82-03-033 (Order 115 and 116), § 230-30-070, filed 12/18/81 and 1/18/82; 81-21-033 (Order 114), § 230-30-070, filed 10/15/81. Statutory Authority: RCW 9.46.070(10). 79-09-029 (Order 91), § 230-30-070, filed 8/14/79; Order 43, § 230-30-070, filed 11/28/75; Order 29, § 230-30-070, filed 1/23/75; Order 27, § 230-30-070, filed 11/15/74; Order 23, § 230-30-070, filed 9/23/74; Order 14, § 230-30-070, filed 3/27/74; Order 12, § 230-30-070, filed 2/14/74; Order 5, § 230-30-070, filed 12/19/73.]

Reviser's note: RCW 34.05.395 requires the use of underlining and deletion marks to indicate amendments to existing rules, and deems ineffectual changes not filed by the agency in this manner. The bracketed material in the above section does not appear to conform to the statutory requirement.

WAC 230-30-072 Punchboard and pull tab inventory control—Retention requirements—Audit adjustments. Each punchboard and pull tab series purchased or otherwise obtained by an operator shall be controlled and accounted for in the following manner:

(1) Each operator shall closely monitor punchboard and pull tab series purchased to assure that Washington state identification and inspection service stamp numbers are correctly entered in all records and each device purchased is recorded. The following control procedures apply:

(a) At the time a punchboard or pull tab series is delivered, each operator will assure that all required data is correctly recorded by the distributor by comparing the actual Washington state identification and inspection services stamp number attached to each punchboard and pull tab series to the number recorded on the purchase invoice;

(b) All purchases of punchboards or pull tab series shall be recorded on a standard distributor's invoice, which will be used by the operator as a record to account for the punchboard or pull tab series between the time it is purchased and removed from play. Each invoice shall include space for the operator to either attach a records entry label or enter the Washington state identification and inspection services stamp number and the date the device was placed out for play: *Provided*, That in lieu of the distributor's invoice recording system, licensees may use a separate inventory record to account for purchases and uses of punchboards and pull tabs. Entries required to be made by the distributor on the purchase invoice shall be entered by the operator on the alternative inventory record at the time devices are received. The inventory record may be manually maintained or generated from a computer data base. If generated from a computer data base, all requirements relating to computer data base records and printouts, as set out in WAC 230-08-010 (6) and (7) shall be followed. Inventory records shall include space for the following entries for each punchboard or pull tab series purchased or otherwise obtained:

- (i) Distributor's name;
- (ii) Invoice number;
- (iii) Date of purchase;
- (iv) Name of the punchboard or pull tab series;

(v) Date placed into play;

(vi) The Washington state identification and inspection services stamp number entered by the distributor at the time of purchase; and

(vii) The Washington state identification and inspection services stamp number entered by the operator by attaching a records entry label at the time the device is placed into play: *Provided*, That a computer generated facsimile of the number may be imprinted on the inventory record in lieu of a records entry label;

(c) At the time a punchboard or pull tab series is placed into play, each operator shall record in the allotted space on the distributor's invoice or the inventory record the following:

(i) Date placed into play; and

(ii) Washington state identification and inspection services stamp number by attaching a records entry label: *Provided*, That a computer generated facsimile of the number may be imprinted on the inventory record in lieu of a records entry label.

(d) If a device is returned to a distributor for any reason, including commission required recall, the operator shall record the date, invoice or credit memo number, and "returned" on the original purchase invoice or inventory log in the spaces allotted for "date-in-play" and "records entry label";

(2) Each punchboard or pull tab series which is removed from operation, together with the prize flare, all unplayed tabs, and all winning punches or tabs, shall be retained by the operator and made available for inspection, on the licensed premises, by commission agents and/or local law enforcement and taxing agencies. If devices are stored off premises, they must be produced for inspection upon demand. The minimum retention time for devices removed from play shall be:

(a) Charitable or nonprofit licensees - at least four months following the last day of the month in which the device was removed from play; and

(b) Commercial stimulant licensees - at least two months following the last day of the month in which the device was removed from play: *Provided*, That all winning punches or pull tabs in excess of twenty dollars shall be retained for at least ninety days following the day the device was removed from play: *Provided further*, That any commercial stimulant licensee that fails to comply with all recordkeeping requirements of this title or misstates gross gambling receipts by more than one percent during any calendar quarter shall be required, after written notification by the director, to retain all devices for at least four months following the last day of the month in which it was removed from play. Any licensee so restricted may petition the director to remove the increased retention requirement imposed after a minimum of one year. Any such petition shall include documentation of the steps taken to correct recordkeeping deficiencies. For purposes of computing gross gambling receipts for determining compliance with the recording accuracy requirement, the procedures in subsection (5) of this section apply;

(3) Each punchboard or pull tab series which is not placed out for public play or returned to the distributor or manufacturer from whom it was originally purchased, must be retained on the licensed premises and made available for

inspection by commission agents and/or local law enforcement and taxing agencies: *Provided*, That devices may be stored off premise if they are produced for inspection upon demand;

(4) Each punchboard or pull tab series which is deemed by the operator to be defective or unplayable, for any reason, shall not be returned to the distributor or manufacturer without approval from the commission. If it is found to be defective after it has been placed out for play, all other rules apply and it must be recorded as required by WAC 230-08-010: *Provided*, That the retention time required by subsection (2) above may be shortened by the commission upon inspection and written release by a commission agent;

(5) For purposes of compliance with the requirements of this section and license class compliance, gross gambling receipts from the operation of punchboards and pull tabs shall be adjusted for commission staff audit findings by using the following procedures:

(a) Unrecorded devices - gross gambling receipts shall be increased to account for any unrecorded devices purchased by an operator by adding the maximum amount that could be generated from the device, as determined by multiplying the total number of chances available by the price of a single chance. The adjustment shall be made to the records for the month in which the device was purchased; and

(b) Recording errors - gross gambling receipts shall be increased or decreased by an adjustment factor that is based upon the results of an audit of a sample of at least five devices randomly selected by the commission staff. The adjustment factor shall be determined by dividing the audited amount for the sample group of devices by the recorded amount for the same devices. The resulting product of this equation shall be applied to the total recorded gross gambling receipts for the calendar quarter from which the sample was taken and to the immediately preceding three quarters.

[Statutory Authority: Chapter 9.46 RCW. 94-24-054 (Order 261), § 230-30-072, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070. 94-07-084 (Order 250), § 230-30-072, filed 3/16/94, effective 4/16/94. Statutory Authority: RCW 9.46.070 (7), (8), (9) and (17). 93-13-063 (Order 241), § 230-30-072, filed 6/17/93, effective 7/18/93. Statutory Authority: RCW 9.46.070(6). 89-21-069 (Order 198), § 230-30-072, filed 10/17/89, effective 11/17/89. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-13-060 (Order 179), § 230-30-072, filed 6/14/88.]

WAC 230-30-075 Punchboard and pull tab prize restrictions—Minimum percentage of prizes available.

No operator shall put out for play and no distributor or manufacturer shall sell or otherwise provide to any person in this state, or for use in this state, any punchboard or pull tab series that:

(1) Does not offer prizes that are equal to or greater than sixty percent of the total gross receipts available from the punchboard or pull tab series: *Provided*, That for the purposes of determining the percentage of prizes offered on any punchboard, or in any pull tab series, total merchandise prizes shall be computed at the amount actually paid therefor by the licensed operator plus fifty percent of that actual cost.

(2) Offers a single prize that exceeds:

(a) Five hundred dollars in cash[:] *Provided*, that progressive jackpot pull tab prizes, as authorized in WAC 230-30-025, shall not exceed five thousand dollars; and

carryover jackpot prizes on bonus flares, as authorized in WAC 230-30-040, shall not exceed two thousand five hundred dollars; or

(b) A merchandise prize, or combination merchandise prize, for which the operator has expended more than five hundred dollars.

(3) Has multiple winners on an individual pull tab or punch that combined values exceed the single cash or merchandise prize limit in subsection (2) of this section.

(4) Offers prizes for purchasing the last ticket or last punch that exceeds:

(a) One hundred dollars cash; or

(b) Merchandise for which the licensee has expended more than one hundred dollars; or

(c) The highest prize offered.

[Statutory Authority: RCW 9.46.070, 9.46.120, 9.46.0273, 9.46.310 and 34.05.313. 96-24-006 (Order 305), § 230-30-075, filed 11/21/96, effective 1/1/97. Statutory Authority: Chapter 9.46 RCW. 94-24-054 (Order 261), § 230-30-075, filed 12/5/94, effective 1/5/95. Statutory Authority: RCW 9.46.070. 93-04-007 (Order 236), § 230-30-075, filed 1/22/93, effective 2/22/93. Statutory Authority: RCW [9.46.]070 (1), (2), and (11) and [9.46.]110. 85-21-046 (Order 154), § 230-30-075, filed 10/14/85. Statutory Authority: RCW 9.46.070(11). 82-06-007 (Order 119), § 230-30-075, filed 2/19/82. Statutory Authority: RCW 9.46.070(10). 79-09-029 (Order 91), § 230-30-075, filed 8/14/79; Order 70, § 230-30-075, filed 5/24/77; Order 43, § 230-30-075, filed 11/28/75.]

Reviser's note: RCW 34.05.395 requires the use of underlining and deletion marks to indicate amendments to existing rules, and deems ineffectual changes not filed by the agency in this manner. The bracketed material in the above section does not appear to conform to the statutory requirement.

WAC 230-30-080 Pull tab dispensing limitations.

(1) No pull tabs shall be placed out for public play unless the total number of pull tabs originally in the series shall be clearly disclosed on the face of the flare advertising the prizes available from that series of pull tabs. The total number of pull tabs originally in the series will be placed upon the flare by the manufacturer prior to the series being sold to a distributor or operator.

(2) No pull tab shall be added to a series of pull tabs after that series has been shipped from its place of manufacture.

(3)(a) No pull tab series, or any portion thereof, shall be placed in, or if a spindle upon, any pull tab dispensing device or container until any other series of pull tabs previously in, or upon, the device or container has been played out or permanently removed from public play.

(b) Provided, that in the use of a multiple series dispensing device, each series shall be played independently and in accordance with the provisions in (a) above.

(4) No pull tab once placed out for public play shall be removed from the dispensing device or container until the series is permanently removed from public play, except only:

(a) Those pull tabs actually played by consumers; [or]

(b) Those pull tabs removed by commission representatives[,] or other law enforcement agency inspecting the device; or

(c) Those tabs temporarily removed during necessary repair or maintenance of the device.

(5) Once a pull tab has been removed from public play it shall not again be put out for public play, except tabs removed under subsection[s] (4)(b) and (c) [above].

(6) No person shall put out any pull tab series for public play unless the series of pull tabs is wholly contained within, or if a spindle upon, the device or container used for dispensing that series[:]. *Provided*, that progressive jackpot pull tab games, as authorized by WAC 230-30-025, may utilize more than one machine for a series.

(7) No person shall sell or transfer to another person in this state, or for use within this state, or put out for public play, any pull tab series which contains more than ten-thousand individual pull tabs[:]. *Provided*, that progressive jackpot pull tab games, as authorized by WAC 230-30-025, may contain up to fifty-thousand individual pull tabs.

[Statutory Authority: RCW 9.46.070, 9.46.120, 9.46.0273, 9.46.310 and 34.05.313. 96-24-006 (Order 305), § 230-30-080, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4). 95-23-109, § 230-30-080, filed 11/22/95, effective 1/1/96. Statutory Authority: RCW 9.46.070. 93-12-082, § 230-30-080, filed 5/28/93, effective 7/1/93. Statutory Authority: RCW 9.46.070(11). 91-10-004 (Order 222), § 230-30-080, filed 4/18/91, effective 5/19/91. Statutory Authority: Chapter 9.46 RCW. 91-05-047 (Order 220), § 230-30-080, filed 2/14/91, effective 3/17/91. Statutory Authority: RCW 9.46.030 (2) and (3) and 9.46.070 (11) and (14). 83-19-024 (Order 136), § 230-30-080, filed 9/13/83. Statutory Authority: RCW 9.46.070(14). 81-19-073 (Order 112), § 230-30-080, filed 9/15/81. Statutory Authority: RCW 9.46.070(10). 79-07-019 (Order 90), § 230-30-080, filed 6/14/79; Order 55, § 230-30-080, filed 6/25/76; Order 43, § 230-30-080, filed 11/28/75; Order 15, § 230-30-080, filed 4/17/74; Order 9, § 230-30-080, filed 12/19/73, 1:26 p.m.; Order 5, § 230-30-080, filed 12/19/73, 1:25 p.m.]

Reviser's note: RCW 34.05.395 requires the use of underlining and deletion marks to indicate amendments to existing rules, and deems ineffectual changes not filed by the agency in this manner. The bracketed material in the above section does not appear to conform to the statutory requirement.

WAC 230-30-090 All devices must comply with rules. No operator shall display or put out for play, and no distributor or manufacturer or their representatives shall sell or otherwise furnish, any punchboard, series of pull tabs, or device for the dispensing of pull tabs unless such punchboards, pull tabs or devices for the dispensing of pull tabs conform to all requirements of this state's laws and the rules of this commission, as they now exist or are hereafter amended.

[Order 18, § 230-30-090, filed 5/21/74.]

WAC 230-30-097 Standards—Approved pull tab dispensing devices. Operators may utilize approved pull tab dispensing devices provided that each device meets the following standards:

(1) Devices must be manufactured by a commission licensed manufacturer.

(2) Devices shall conspicuously display a stamp, seal, or label identifying its manufacturer and the city and state of its manufacture.

(3) Devices shall have the manufacturer's serial number for that device stamped or embossed into its case.

(4) Devices manufactured specifically for the dispensing of perforated window type pull tabs shall meet the following standards:

(a) Be constructed so that consumers can clearly see each pull tab within the device, except that area at the bottom of the device, not to exceed one inch in height, covered for security or mechanical reasons, and have permanent lines or markings which divide the pull tabs

remaining in the device into divisions of approximately twenty-five tabs so that the consumer can determine how many tabs remain within the device; or

(b) Have a resettable counter visible to the customer indicating the number of pull tabs left in the device.

(5) Devices manufactured specifically for the dispensing of "jar" or "banded" type pull tabs shall meet the following standards:

(a) Be constructed so that consumers can clearly see all jar tickets or jar ticket bundles within the device; or

(b) Have a resettable counter visible to the consumer indicating the number of jar tickets left in the device.

(6) Devices utilizing bill acceptors or similar devices that do not return change shall clearly disclose that fact to the consumer.

[Statutory Authority: RCW 9.46.070 (1), (4), (14), (20). 96-13-069 (Order 295), § 230-30-097, filed 6/18/96, effective 7/19/96. Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4), 95-23-109, § 230-30-097, filed 11/22/95, effective 1/1/96. Statutory Authority: RCW 9.46.070. 93-12-082, § 230-30-097, filed 5/28/93, effective 7/1/93.]

WAC 230-30-100 Punchboards and pull tabs to display name of its licensed manufacturer. (1) No operator shall put out for play, and no distributor or manufacturer shall sell or otherwise furnish, any punchboard or series of pull tabs unless each such board or series shall have conspicuously set forth thereon a stamp, seal or label which identifies its manufacturer and the city and state of its manufacturer.

(2) Each individual pull tab shall have conspicuously set forth thereon the name of the manufacturer or label or trademark which identifies its manufacturer. The label or trademark must be filed with the commission prior to the printing of the pull tab.

(3) No operator shall put out for play and no distributor shall sell or otherwise furnish, any punchboard or series of pull tabs unless the manufacturer of punchboards or series of pull tabs has been licensed by the commission.

[Statutory Authority: RCW 9.46.070. 93-12-082, § 230-30-100, filed 5/28/93, effective 7/1/93. Statutory Authority: RCW 9.46.070(13). 79-07-019 (Order 90), § 230-30-100, filed 6/14/79; Order 55, § 230-30-100, filed 6/25/76; Order 43, § 230-30-100, filed 11/28/75; Order 27, § 230-30-100, filed 11/15/74; Order 23, § 230-30-100, filed 9/23/74; Order 18, § 230-30-100, filed 5/21/74; Order 12, § 230-30-100, filed 2/14/74.]

WAC 230-30-102 Pull tab series assembly and packaging. (1) Manufacturers of pull tabs shall manufacture, assemble, and package each pull tab series in one container and in such a manner that none of the winning pull tabs, nor the location or approximate location of any of the winning pull tabs can be determined, in advance of opening the pull tabs in any manner or by any device, including but not limited to any pattern in manufacture, assembly, packaging, markings, or by the use of a light. *Provided*, that progressive jackpot pull tab games, as authorized by WAC 230-30-025, may be packaged in more than one container under the following conditions;

(a) All boxes are shrink wrapped and sealed with a sticker or seal of the manufacturer;

(b) Each individual box must be identically labeled with a manufacturer designed referencing system to include:

- (i) Individual box reference and total boxes per series;
- (ii) Series number; and
- (iii) Identification and inspection services stamp number;
- (c) Each case must be labeled to include:
 - (i) Case reference and total cases per set; and
 - (ii) Series number; and
 - (d) Each box and/or case must be packaged and shipped together. Cases must be specially marked to easily identify the contents during shipping.

(2) Winning pull tabs shall be distributed and mixed among all other pull tabs in a series so as to eliminate any pattern as between series, or portions of series, from which the location or approximate location of any of the winning tabs may be determined. The pull tab series must be assembled so that no placement of winners or losers exist that allows the possibility of prize manipulation or "pick out." Manufacturers shall not manufacture or offer for sale in Washington any pull tab series in which the winning pull tabs are not distributed and mixed among all other pull tabs in that series.

(3) Manufacturers will mix pull tabs prior to placing them in their final packing container. The mix shall insure that pull tabs are separated from the original collated row position and dispersed amongst all rows in the final packing container.

(4) Each series of pull tabs shall contain a packing slip placed inside the package containing the name of manufacturer, series number, date the series was packaged, and the name or identification of the person who packaged the series: *Provided*, That this information may be printed on the flare or the outside of the package, box or container in which the pull tabs are packed. This information must be readily available to commission staff from the manufacturer upon request. For progressive jackpot pull tab games, the packing slip and flare must be packaged with the first box of the series.

(5) Manufacturers of pull tabs shall print on the outside of the die cut box, package or other container of pull tabs the following message "Washington State law requires that pull tabs NOT sold through a mechanical pull tab dispensing device must be removed from the packaging container and mixed before selling to the public. Failure to remove and mix pull tabs from a packaging container may result in a minimum five day suspension of a license for each series not mixed." *Provided*, That the above information may be printed on a crack and peel sticker and placed on the outside of the die cut box, package or other container of pull tabs. The above information may be printed on a colored packing slip and placed inside the package of pull tabs.

[Statutory Authority: RCW 9.46.070, 9.46.120, 9.46.0273, 9.46.310 and 34.05.313. 96-24-006 (Order 305), § 230-30-102, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070. 94-07-084 (Order 250), § 230-30-102, filed 3/16/94, effective 4/16/94. Statutory Authority: Chapter 9.46 RCW. 91-21-053 (Order 228), § 230-30-102, filed 10/15/91, effective 11/15/91. Statutory Authority: RCW 9.46.070 and chapter 34.05 RCW. 90-21-053, § 230-30-102, filed 10/15/90, effective 11/15/90. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 85-03-024 (Order 142), § 230-30-102, filed 1/9/85; Order 78, § 230-30-102, filed 11/17/77; Order 43, § 230-30-102, filed 11/28/75.]

WAC 230-30-103 Standards for construction of pull tabs. (1) All pull tabs manufactured for use in the state of Washington after January 1, 1992 shall utilize a secondary

verification code to prohibit counterfeiting on tabs that award prizes greater than \$20.00. Such codes shall be approved by the director prior to use within the state. Punchboards are exempt from the secondary verification code requirements.

(2) Pull tabs shall be constructed so that it is impossible to determine the covered or concealed number, symbol, set of symbols, or game protection on the pull tab until it has been dispensed to and opened by the player, by any method or device, including but not limited to, the use of a marking, variance in size, variance in paper fiber, or light. Winning and losing sheets for each game must be manufactured using the same paper stock and must be manufactured at the same time for all progressive jackpot pull tab games.

(3) All pull tabs, except banded and latex covered pull tabs, will be constructed using a two or three ply paper stock construction.

(4) The manufacturer shall conspicuously print on the face or cover sheet the series number and the name of the manufacturer or label or trademark identifying the manufacturer. On banded pull tabs, the series number and the name of the manufacturer or label or trademark identifying the manufacturer shall be printed so both are readily visible prior to opening the pull tab.

(5) The cover sheet shall be color coded when individual series numbers are repeated and may show the consumer how to open the pull tab to determine the symbols or numbers. The cover sheet will contain perforated and/or clean-cut openings centered over the symbols or numbers on the back of the face sheet in such a manner as to allow easy opening by the consumer after purchase of the pull tabs, while at the same time, not permitting pull tabs to be opened prematurely in normal handling. Perforation should exist on both horizontal lines of the opening with either perforated or clean-cut on the vertical or elliptical line where the tab must be grasped for opening after bending the edge of ticket down. On latex covered pull tabs, either the face or back of the pull tab shall be color coded when individual series numbers are repeated and may show the consumer how to remove the latex to determine the symbols or numbers. On banded pull tabs, the paper stock shall be color coded when individual series numbers are repeated.

(6) Pull tabs will be glued or sealed so that it is impossible to determine the covered or concealed numbers, symbol or set of symbols on the pull tab until it has been dispensed to and opened by the player.

(7) Thickness.

(a) Vendable pull tabs. Defined as pull tabs that are sold out of mechanical pull tab dispensing devices approved for such use in this state by the Washington state gambling commission.

(i) Single opening and double sided tabs. The overall bulk thickness of the pull tab shall be .045 inches plus or minus .003 inches.

(ii) Multiple opening tabs. The overall bulk thickness of the pull tab shall be .026 inches plus or minus .002 inches.

(b) Nonvendable pull tabs. Defined as pull tabs that cannot be sold out of mechanical pull tab dispensing devices approved for use in this state by the Washington state gambling commission. Nonvendable pull tabs may be dispensed from fishbowls, receptacles, packing boxes or

spindles. Manufacturers may use any thickness, provided they comply with all other rules of the commission.

(c) All pull tabs within a single pull tab series shall be of the same thickness.

(8) Length and width.

(a) Vendable pull tabs.

(i) Single opening and double sided tabs shall be 1 7/8 inches x 1 inch plus or minus 1/8 inch.

(ii) Multiple opening tabs shall be [3 1/2] [3 2] inches by 1 7/8 inches plus or minus 1 inch.

(b) Nonvendable pull tabs - manufacturers may construct nonvendable pull tabs in any size provided the pull tab complies with all other rules of the commission.

(c) All pull tabs within a single pull tab series shall be uniform in length or width and not vary by more than 3/64 inch, provided that in no case shall winning pull tabs be identifiable by visible variation in dimension.

(9) All pull tabs will be constructed to insure that, when offered for sale to the public, the pull tab is virtually opaque and free of security defects wherein winning pull tabs cannot be determined prior to being opened through the use of high intensity lights, peeking, or any other method.

(10) Each manufacturer shall establish his own game protection for each pull tab game or series of games. The game protection shall be a method of identifying winning pull tabs, after they have been purchased and opened, from nonwinning, altered or forged pull tabs. The manufacturer may use special numbers, colors, designs, ink or any combination to establish the game protection. Manufacturers will submit to the gambling commission a letter explaining the game protection and will keep the commission informed on any changes. Spindle-type pull tab series when played in the manner set out in WAC 230-30-070(8) are exempt from this requirement.

[Statutory Authority: RCW 9.46.070, 9.46.120, 9.46.0273, 9.46.310 and 34.05.313. 96-24-006 (Order 305), § 230-30-103, filed 11/21/96, effective 1/1/97. Statutory Authority: RCW 9.46.070. 94-07-084 (Order 250), § 230-30-103, filed 3/16/94, effective 4/16/94. Statutory Authority: Chapter 9.46 RCW. 91-21-053 (Order 228), § 230-30-103, filed 10/15/91, effective 11/15/91; 87-15-052 (Order 169), § 230-30-103, filed 7/14/87. Statutory Authority: RCW 9.46.070 (1), (2), and (11) and 9.46.110. 85-21-046 (Order 154), § 230-30-103, filed 10/14/85. Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19). 84-13-038 (Order 140), § 230-30-103, filed 6/15/84; Order 78, § 230-30-103, filed 11/17/77; Order 43, § 230-30-103, filed 11/28/75.]

WAC 230-30-104 Possession or sale of pull tab series in which winners or location of winners may be determined in advance—Prohibited. (1) No operator, distributor or manufacturer, or representative thereof, with knowledge or in circumstances whereunder he reasonably should have known, shall possess, display, put out for play, sell or otherwise furnish to any person any pull tab series or pull tab from any series:

(a) In which the winning tabs have not been distributed and mixed among all other tabs in the series; or

(b) In which the location, or approximate location, of any of the winning tabs can be determined in advance of opening the tabs in any manner or by any device, including but not limited to, any pattern in the manufacture, assembly or packaging of the tabs by the manufacturer, by any markings on the tabs or container, or by the use of a light; or

(c) Which does not conform in any other respect to the requirements of these rules as to manufacture, assembly, or packaging of pull tabs.

(2) No manufacturer or distributor or representative thereof shall use as a sales promotion any statement, demonstration, or implication that any certain portion of a series of pull tabs contains more winners than other portions of the series or that any series of pull tabs may be sold by the operator in a particular manner that would give the operator any advantage in selling more of the pull tabs before having to pay out winners.

[Statutory Authority: RCW 9.46.070 and chapter 34.05 RCW. 90-21-053, § 230-30-104, filed 10/15/90, effective 11/15/90. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 85-03-024 (Order 142), § 230-30-104, filed 1/9/85; Order 78, § 230-30-104, filed 11/17/77.]

WAC 230-30-105 Only one flare may be used with a punchboard or pull tab series. No person shall place or have out in public view more than one flare advertising the prizes available from the operation of any punchboard, or from any series of pull tabs.

[Order 43, § 230-30-105, filed 11/28/75.]

WAC 230-30-106 Standards for flares made by manufacturers, distributors or operators. (1) Except as set forth in subsection (2) of this section, the flare advertising prizes available from the operation of any punchboard, or any series of pull tabs shall be made by the manufacturer only. Except as set forth below, flares shall not be altered by any operator or distributor, and shall:

(a) Be placed as follows:

(i) Only upon the upper face, or on the top, of any such punchboard; or

(ii) In plain view and in the vicinity of any pull tab dispensing device or container, provided if the flare is not attached to the dispensing device or container, a numerical or alphabetical reference shall be included directly on the flare and dispensing device or container clearly indicating which flare corresponds to which series; and

(b) Clearly set out each of the prizes available and the number or symbol which wins prizes; and

(c) Set out the winning numbers or symbols for prizes of twenty dollars or more in cash, or merchandise worth twenty dollars or more at retail, in such a manner that each may be easily and clearly deleted or marked off as each prize is won and awarded. For the purposes of this subsection the retail value of a merchandise prize shall be the amount actually paid by the licensed operator plus 50 percent of that actual cost.

(2) Substitute flares

(a) Distributors may make and apply substitute flares to punchboards and pull tab series provided that the conditions set forth in (c) of this subsection are satisfied;

(b) Licensed operators may make and use substitute flares on punchboards and pull tab series which offer merchandise or combination merchandise-cash prizes provided that the conditions set forth in (c) of this subsection are satisfied;

(c) Use of substitute flares:

(i) The substitute flare must comply with the requirements of subsection (1)(a), (b) and (c) of this section;

(ii) Substitute flares must meet the requirements of WAC 230-30-015;

(iii) The winning numbers or symbols on the substitute flare are selected from the winning numbers or symbols on the flare made by the manufacturer, or from the optional numbers placed on the back of the board by the manufacturer. Provided flares and games which offer merchandise, or combination merchandise/cash prizes, in excess of \$100.00 actual costs, must utilize numbers, not symbols to denote winners. Prizes must be assigned to the winning numbers consecutively starting with the highest value prize being assigned the lowest available winning number; and

(iv) The substitute flare is stapled to the manufacturer's flare and the manufacturer's flare is defaced so that it is unusable, but the identification and inspection services stamp is readable and visible.

(3) Spindle-type pull tab series when played in the manner set out in WAC 230-30-070(9) are exempt from this section.

[Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4). 95-23-109, § 230-30-106, filed 11/22/95, effective 1/1/96. Statutory Authority: RCW 9.46.070(8), 9.46.0325 and 9.46.070. 93-10-005 (Order 238), § 230-30-106, filed 4/21/93, effective 7/1/93. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 89-11-048 (Order 192), § 230-30-106, filed 5/16/89. Statutory Authority: RCW 9.46.070 (11) and (14). 87-24-016 (Order 173), § 230-30-106, filed 11/23/87. Statutory Authority: RCW 9.46.070(10). 79-09-029 (Order 91), § 230-30-106, filed 8/14/79; Order 43, § 230-30-106, filed 11/28/75.]

WAC 230-30-110 Possession of duplicate numbered-color coded pull tab series prohibited. (A) Each manufacturer of pull tabs shall assign a series number to each series of pull tabs he manufactures and place that series number on each pull tab in that series. A manufacturer may, in addition, assign a color trim to that series and if so, each pull tab in the series shall also reflect that color trim.

No manufacturer, manufacturer's representative, distributor or distributor's representative shall sell or furnish to any operator a series of pull tabs with the same series number and color code combination as a series which that operator has previously purchased or obtained but upon which play has not been completed.

(B) No person licensed as an operator of punchboards or pull tabs shall ever obtain or possess, or shall ever allow upon the licensed premises, a series of pull tabs, or portion thereof, with the same series number, or series number or color code combination, as any other series of pull tabs or portion thereof in his possession, or on the licensed premises: *Provided*, That this rule shall not prevent a person from retaining upon the licensed premises pull tabs remaining from series removed from play for the purposes of complying with federal or state law or regulation if that person

(1) Has punched a hole through each such pull tab removed and retained with a standard hole punch not less than 1/8" in diameter immediately upon removal of the pull tabs from play, and

(2) Made a written record of the series number, color code if any, and the number of tabs remaining in that series, immediately upon removing that series from play, and

(3) The written record so made is maintained upon the licensed premises for a period of not less than three years after the series is removed.

[Order 27, § 230-30-110, filed 11/15/74.]

WAC 230-30-130 Flare to display pull tab series number. Each flare describing the prizes and winning numbers or symbols for a series of pull tabs in play shall clearly set out the series number assigned to that pull tab series by the manufacturer. The series number will be placed upon the flare by the manufacturer prior to the series being sold to a distributor or operator.

[Order 48, § 230-30-130, filed 3/23/76; Order 23, § 230-30-130, filed 9/23/74.]

WAC 230-30-200 Punchboard and pull tab business restrictions. (1) No operator shall buy, receive or otherwise obtain, nor shall any manufacturer or distributor, or anyone connected therewith, sell or deliver any punchboard, pull tab, pull tab dispensing device or related equipment, or merchandise for prizes to be awarded in connection with such activities, to any operator, except a cash basis nor shall any operator permit any manufacturer or distributor or anyone connected therewith, to acquire any interest, including a security interest, in any such equipment or merchandise. A cash basis shall consist of payment in full, either by cash or by check, with payment made to the seller by the operator upon, or prior to, actual physical delivery of the merchandise to the operator: *Provided*, That when a check is used for payment to constitute a cash basis payment it shall be presented for payment into the banking system by the end of the tenth calendar day following the day the check is written. If an operator can demonstrate by a preponderance of evidence that it has properly made a payment by check, as required by this section, then it will not be held liable for a violation of this rule if the violation is caused solely by the failure of the manufacturer or distributor to deposit the check into the banking system in a timely fashion.

(2) No operator shall accept a loan of money or any thing of value from any manufacturer or distributor, or from anyone connected therewith.

(3) If the operator is acquiring a pull tab dispensing device(s) and/or related equipment(s) with a unit purchase price exceeding one thousand United States dollars, the distributor or an independent leasing company may extend financing to the operator, for all or a portion of the purchase price, in the form of:

(a) A lease agreement, term of which shall not exceed forty-eight months.

(b) A rental agreement, term of which shall not exceed forty-eight months.

(c) A rental agreement, term of which shall not exceed forty-eight months, in which a portion of the rent may be applied to the purchase price at the end of the agreement (rent to own).

(4) Copies of all lease or rental agreements, as set forth in subsection (3) of this section, shall be provided by the operator to the commission within thirty days of the execution of those agreements.

[Statutory Authority: RCW 9.46.070. 92-19-107 (Order 231), § 230-30-200, filed 9/18/92, effective 10/19/92. Statutory Authority: RCW 9.46.070(13). 81-13-033 (Order 110), § 230-30-200, filed 6/15/81; Order 18, § 230-30-200, filed 5/21/74; Order 5, § 230-30-200, filed 12/19/73.]

WAC 230-30-210 Buying from and selling to only licensees required. No manufacturer, distributor or distributor's representative, shall sell or otherwise make available to any person any punchboards, pull tabs, pull tab dispensing devices or related equipment in this state unless it has first determined that such person has a valid license issued by the commission to sell or otherwise distribute such equipment within this state, or to operate such activity on a particular premise within this state.

No operator, distributor or distributor's representative, shall purchase or otherwise obtain from any person any punchboard, pull tab, device for the dispensing of pull tabs or related equipment in this state until it has first determined that the person selling or otherwise offering such equipment has a valid license issued by the commission to sell the equipment in this state or has been registered with the commission as required.

[Order 5, § 230-30-210, filed 12/19/73.]

WAC 230-30-212 Punchboards, pull tabs and related equipment may be sold with sale of business. Notwithstanding any other provision in these rules, a licensed operator who is selling the retail business in connection with which he is operating punchboards, pull tabs and pull tab dispensing devices may transfer such of those items as he has on hand to the buyer as a part of the transaction, provided:

(1) The buyer has been licensed by the commission to operate punchboards and pull tabs or has applied to the commission for such a license.

(2) Each such item sold together with the business is reported to the commission in writing by the seller. This report shall include a complete description of each item sold together with the number of the commission's stamp assigned to each item, and the number assigned by the manufacturer to each board, series of pull tabs or device.

[Order 23, § 230-30-212, filed 9/23/74.]

WAC 230-30-213 Sale of punchboards, pull tabs and pull tab dispensing devices when license revoked, expired or voluntarily surrendered. (1) Notwithstanding any other provisions in these rules, a licensed operator or distributor of punchboards and pull tabs whose license has been revoked, expired or voluntarily surrendered may sell complete pull tab series, pull tab dispensing devices and unused punchboards in inventory to a licensed distributor or a licensed manufacturer of those devices: *Provided*, That the seller notifies the commission within ten days of the transaction in writing of the following:

(a) The date the license is revoked, expired or surrendered,

(b) A complete description of the items to be sold including commission identification stamp number,

(c) The name and license number of the distributor or manufacturer who will buy the equipment.

(2) Licensed distributors and manufacturers of punchboards and pull tabs may buy complete pull tab series, pull tab dispensing devices and unused punchboards from a licensed operator whose license has been revoked, expired or surrendered: *Provided*, That:

(a) The transaction is for cash only,

(b) The licensed operator has furnished the written notification to the commission of the transaction required above.

(3) The distributor or manufacturer will prepare an invoice for the transaction with a complete description of all equipment purchased together with the commission stamp number on each item. A copy of the notice given to the commission by the operator will be attached to the invoice. The records of these transactions shall be retained by each party for not less than three years following the transaction, unless released by the commission from this requirement as to any particular record.

[Order 33, § 230-30-213, filed 2/21/75.]

WAC 230-30-215 Trade-in of used pull tab dispensing devices permitted provided certain records are maintained. "Trade-in" of pull tab dispensing devices by an operator is prohibited, except when all of the following conditions are satisfied:

(1) The trade-in is accomplished in connection with, and as a part of, an occasional transaction wherein a licensed operator is purchasing other pull tab dispensing devices from a licensed distributor or manufacturer.

(2) The portion of the purchase price of the devices purchased by the operator to be deducted as a credit for the devices traded in is the fair market price of such trade-in items, taking into account their age, condition and functional obsolescence. The trade-in credit shall be for value received and shall not be used by the distributor or manufacturer to grant a discount in the price of the devices sold to the operator when such discount is not available to all other customers of the distributor or manufacturer.

(3) A record shall be kept of each transaction by all parties to it which includes:

(a) A complete description of each device sold to the operator, its sales price and the identifying number of the device set out on the stamp affixed thereto by the commission.

(b) A complete description of each device traded in to the distributor or manufacturer, the amount of money deducted from the sales price of the items purchased by the operator as a result of the device being traded in, and the identifying number of the device set out on the stamp affixed thereto issued by the commission. These records shall be in addition to those elsewhere required. The records of these transactions shall be retained by each party for not less than three years following the transaction.

[Order 15, § 230-30-215, filed 4/17/74.]

WAC 230-30-220 Interest in separate business involving punchboards and pull tabs at a different marketing level prohibited. No manufacturer, distributor or operator of punchboards, pull tabs, pull tab dispensing devices or related equipment shall:

(1) Have any interest, directly or indirectly, in any other of these businesses operating in whole or in part at a different marketing level;

(2) Allow any of its officers, or any other person with a substantial interest in such business, to have any interest in any other of these businesses operating in whole or in part at a different marketing level;

[Title 230 WAC—page 112]

(3) Shall employ any person in any capacity or allow any person to represent the business in any way if such person is also employed by, or represents any other of these businesses operating in whole or in part at a different marketing level;

(4) Shall allow any other of these businesses operating in whole or in part at a different marketing level, or any person with a substantial interest therein to have any interest directly or indirectly, in it;

(5) Have any interest, directly or indirectly, in any business of any kind in which any other of these businesses operating in whole or in part at a different marketing level, or any person having a substantial interest therein, also has a substantial interest;

(6) Allow any other business of any kind in which any other of these businesses, or any person having a substantial interest therein, to have any interest, directly or indirectly, in it;

(7) For the purposes of this rule, the different marketing levels shall be:

- (a) Operator;
- (b) Distributor;
- (c) Manufacturer;

(8) This rule shall not prohibit the same person licensed and operating as a manufacturer from being also licensed and operating as a distributor.

[Order 18, § 230-30-220, filed 5/21/74; Order 5, § 230-30-220, filed 12/19/73.]

WAC 230-30-300 Recall of defective punchboards, pull tabs or pull tab dispensing devices. (1) Upon a determination that punchboards, pull tabs or pull tab dispensing devices for sale in Washington do not meet commission standards, the director may order all defective products and all similarly constructed or printed products be recalled by the manufacturer(s).

(2) If the director orders such a recall, the manufacturer of the product shall be immediately notified regarding the items to be recalled, reason for the recall, effective date of the recall, and any other specific requirements. The verbal notification shall be followed with a written notification. Immediately upon the oral notification, manufacturers shall cease sale in the state and initiate actions to ensure complete compliance with the recall. Manufacturers will notify all distributors within 72 hours of the items recalled, effective date of recall, and arrange for the prompt return of the defective items. Distributors, when notified in writing by either manufacturer or commission of the recall, shall immediately stop sales and/or delivery of the product.

(3) The commission shall notify, in writing, each licensed distributor of gambling paraphernalia of the recall, effective dates thereof, the products involved, and of any special instructions if applicable. The commission shall then notify, in writing, each licensed operator as to the items recalled, effective date and special instructions, if applicable. Operators shall not utilize any defective punchboards, pull tabs or pull tab dispensing devices after receiving written notification from the commission.

(4) Prior to any reintroduction in the state of any recalled or similar item, the manufacturer must first submit the revised or reworked item to the commission for review,

evaluation and approval. The manufacturer will be notified in writing, of the approval or disapproval and a copy of the approving letter will be sent by the manufacturer to the distributor with the next five shipments of the reworked item.

(5) Manufacturers shall reimburse distributors the actual cost paid by the distributor for each punchboard, pull tab series or pull tab dispensing device recalled by order of the director. Manufacturers of recalled punchboards, pull tab series or pull tab dispensing devices shall compensate distributors for time and expenses incurred during a recall. Such compensation shall not exceed fifty cents per punchboard or pull tab series actually returned by the distributor to the manufacturer or, twenty-five dollars per pull tab dispensing device.

[Statutory Authority: RCW 9.46.070(8), 9.46.0325 and 9.46.070. 93-10-005 (Order 238), § 230-30-300, filed 4/21/93, effective 7/1/93. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 88-07-059 (Order 175), § 230-30-300, filed 3/15/88.]

WAC 230-30-500 Rules applicable to operators of punchboards and pull tabs applicable as well to operators of either activity. Each rule of the commission which applies to operators of both punchboards and pull tabs shall apply as well to operators of either one of these activities.

[Order 25, § 230-30-500, filed 10/23/74.]

Chapter 230-40 WAC CARD GAMES

WAC

230-40-010	Types of card games authorized.
230-40-015	Rules by which the authorized card games shall be played.
230-40-020	Portion of premises used for card playing limited.
230-40-030	Number of tables and players limited.
230-40-050	Fees for card playing.
230-40-055	Card tournaments for fee and prizes—Reporting requirements.
230-40-060	Persons shall not share in winnings or charge additional fee for playing cards.
230-40-063	Charge for cutting cards.
230-40-070	Licensee to furnish all cards, chips and other services.
230-40-080	Person not to bring their own cards or chips.
230-40-090	Devices, mechanisms, giving advantage—Prohibited.
230-40-120	Limits on wagers in card games.
230-40-125	Washington blackjack—Rules of play—Wagering limits.
230-40-130	Wagers to be made with chips only.
230-40-140	Change in method of wagering prohibited.
230-40-150	Side bets prohibited.
230-40-160	Wagers by other than participants prohibited.
230-40-200	Participants to compete on equal terms—Deal to rotate among players.
230-40-225	House dealer allowed in certain games.
230-40-230	No person shall have someone play for him or assist another participant.
230-40-250	Licensee to prevent cheating in card games.
230-40-315	No food or drink sales on time basis in card room.
230-40-320	Minors or intoxicated persons shall not play cards or provide services to the game.
230-40-331	Bona fide nonprofit or charitable organizations—Members only to play social card and dice games—Exception.
230-40-400	Hours limited for card games.
230-40-450	Pictures to be posted with employee licenses.
230-40-500	House rules to be developed and posted.

(1997 Ed.)

230-40-999 Public card room enhancement program—Pilot study and test.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

230-40-062	No charge for cutting cards. [Order 25, § 230-40-062, filed 10/23/74.] Repealed by 83-11-034 (Order 133), filed 5/16/83. Statutory Authority: RCW 9.46.070 (8) and (11).
230-40-220	Owners and employees not to play cards on licensee's premises. [Order 33, § 230-40-220, filed 2/21/75; Order 23, § 230-40-220, filed 9/23/74.] Repealed by Order 67, filed 3/11/77.
230-40-300	Rules of card games and related house rules to be posted. [Order 23, § 230-40-300, filed 9/23/74.] Repealed by Order 40, filed 6/26/75.
230-40-310	No free or discount food, beverage or merchandise to be offered at public card room. [Statutory Authority: RCW 9.46.070 (1), (2), (4), (5), (6), (11), (14) and (17). 86-13-055 (Order 158), § 230-40-310, filed 6/13/86; Order 45, § 230-40-310, filed 12/30/75.] Repealed by 95-23-109, filed 11/22/95, effective 1/1/96. Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4).
230-40-330	Limitation on the number of guests. [Order 23, § 230-40-330, filed 9/23/74.] Repealed by Order 78, filed 11/17/77.

WAC 230-40-010 Types of card games authorized.

Only card games that have been specifically authorized are allowed to be played in public or social card rooms licensed by the commission. The commission hereby authorizes the following card games:

(1) Poker - Any poker game described in *Hoyle's Modern Encyclopedia of Card Games*, by Walter B. Gibson, published by Doubleday and Company, Inc., April 1974, 1st edition, pages 219 through 277: *Provided*, That only a maximum of five betting rounds per hand are permitted.

(2) Hearts.

(3) Pinochle.

(4) Cribbage.

(5) Rummy.

(6) Mah-jongg (tiles).

(7) Pan.

(8) Pitch.

(9) Washington blackjack - as set forth in WAC 230-40-125.

(10) Pai-Gow poker.

(11) Pan-9.

(12) Bid Whist.

(13) Dominos.

(14) Those games the director approves on a temporary, case-by-case basis upon application by a licensee for approval of a particular game. An application for approval of a game not specifically authorized must include the rules of play. Temporary approvals granted are valid for no more than six months or until adopted by the commission, whichever occurs first.

[Statutory Authority: RCW 9.46.0281, 9.46.070 (1), (2), (14) and (20). 96-11-073, § 230-40-010, filed 5/13/96, effective 7/1/96. Statutory Authority: RCW 9.46.070. 94-13-098 (Order 252), § 230-40-010, filed 6/15/94, effective 7/16/94. Statutory Authority: RCW 34.05.220(4), [34.05]230 and 9.46.070 (11) and (14). 90-05-032 (Order 205), § 230-40-010, filed 2/14/90, effective 3/17/90. Statutory Authority: RCW 9.46.070. 88-19-038 (Order 183), § 230-40-010, filed 9/13/88. Statutory Authority: Chapter 9.46 RCW. 86-19-056 (Order 161), § 230-40-010, filed 9/15/86. Statutory Authority: RCW 9.46.070(11). 82-23-050 (Order 125), § 230-40-010, filed 11/15/82. Statutory Authority: RCW 9.46.070(10) (see RCW

effective 1/1/96. Statutory Authority: RCW 9.46.070. 94-17-091 (Order 256), § 230-40-050, filed 8/16/94, effective 9/16/94. Statutory Authority: RCW 9.46.070 (1), (2), (4), (5), (6), (9), (11), (14) and (17) and 9.46.020 (19) and (23). 85-17-015 (Order 153), § 230-40-050, filed 8/12/85. Statutory Authority: RCW 9.46.020 (20)(d), 9.46.050(3) and 9.46.070 (1), (2), (5), (8), (9), (11) and (12). 85-03-026 (Order 144), § 230-40-050, filed 1/9/85. Statutory Authority: RCW 9.46.070 (8) and (17). 83-23-055 (Order 138), § 230-40-050, filed 11/15/83. Statutory Authority: RCW 9.46.070(11). 82-11-028 (Order 120), § 230-40-050, filed 5/11/82; 80-09-067 (Order 103), § 230-40-050, filed 7/17/80; Order 72, § 230-40-050, filed 7/26/77; Order 42, § 230-40-050, filed 9/18/75; Order 38, § 230-40-050, filed 5/9/75; Emergency Order 37, § 230-40-050, filed 5/9/75; Order 35, § 230-40-050, filed 3/14/75; Order 29, § 230-40-050, filed 1/23/75; Order 23, § 230-40-050, filed 9/23/74.]

WAC 230-40-055 Card tournaments for fee and prizes—Reporting requirements. (1) A card tournament wherein a fee is charged to the participants and prizes are awarded to the winning players shall be licensed by the commission. Card room licensees with a Class A, B, or E license may conduct a card tournament for a fee without obtaining a card tournament license: *Provided*, That Class B licensees are limited to only those card games authorized under their licensing class. Card room licensees with a Class D or R license must first obtain a card tournament license before they can conduct a card tournament in which the players are charged a fee to enter. The licensee shall notify the commission ten days in advance of any card tournament where the single or multiple buy-in exceeds fifty dollars. A card tournament shall not exceed ten consecutive calendar days.

(2) The fee for a player to enter a card tournament for prizes shall not exceed fifty dollars, including all separate fees which might be paid by a player for various phases, events of the tournament, food and drink offerings, and promotional material. The fee to enter a tournament and a description of all goods and services to be provided as a part of the tournament must be fully disclosed to each entrant prior to their paying such fee. Such disclosure must be posted conspicuously on the premises at the time payment is received and remain posted until the tournament is complete. This same information must be included in all advertisements for said tournament. Operators may offer "free roll" or customer appreciation tournaments: *Provided*, That the pretournament play requirements do not exceed the fifty-dollar entry fee limitation. Entrants in such tournaments must initially be provided with the same number of chips or points and the same opportunity for re-buys. All prizes awarded for free roll or customer appreciation tournaments may be deducted as prizes for determining adjusted net gambling receipts for compliance with WAC 230-12-075.

(3) All fees paid to enter a tournament shall be reported as gross gambling receipts: *Provided*, That if an operator prepares and provides food and drink items to all tournament entrants on the licensed premises as a part of their entry fee, the fair market value of the food and drink provided, not to exceed twenty-five dollars or fifty percent of the entry fee, which ever is greater, shall be treated as sales of food and drink for on premise consumption and not included as gross gambling receipts. Such sales, must be properly supported by records: *Provided further*, That if an operator provides items promoting the tournament or licensed business, such as hats, t-shirts, etc., to all participants as a part of their entry fee, the actual cost of such items, supported by

invoices and other such records, shall be deducted as prizes in determining adjusted net gambling receipts for compliance with WAC 230-12-075.

(4) In addition to the entry fee, a minimum buy-in of chips may be required. The total buy-in per player shall not exceed two hundred dollars per tournament and may be either a single or multiple buy-in during the course of the tournament. A record of the buy-ins for each participant will be maintained by the licensee in a format provided by the commission. All buy-ins of chips are not gross gambling receipts and shall be returned to the participants in the form of prizes. Prizes from buy-ins are not deductible for commercial stimulant purposes.

(5) The chips used in card tournaments shall have no monetary value and may be redeemed only for prizes established by the licensee. The licensee may award prizes in excess of those entry fees collected as authorized in subsection (2) of this section. The licensee's actual cost for prizes awarded to the players may be deducted as prizes for determining adjusted net gambling receipts generated by the entry fees.

(6) The licensee shall adopt tournament rules to facilitate the operation of card tournaments: *Provided*, That all tournament rules for tournaments where the single or multiple buy-in exceeds fifty dollars must be submitted to the commission for approval. All tournament rules must be posted where all tournament participants can see and read the rules.

(7) The licensee shall maintain a record of all such fees collected and the number of participant for each tournament conducted. This information shall be entered in a format approved by the commission. The total gross gambling receipts for the tournament shall be entered on the card room daily control sheet for the time and date the tournament begins and the record of participants shall be attached and maintained with that daily control sheet.

(8) The licensee shall maintain a record of all prizes awarded to include the amount the licensed operator actually paid for each prize and the name and complete address of each winning participant: *Provided*, That the name and address of each participant receiving promotional items as set forth in subsection (3) of this section shall not be required on the prize record. The record shall be attached to the daily control sheet used on the date the majority of the prizes are awarded.

[Statutory Authority: RCW 9.46.070. 94-07-084 (Order 250), § 230-40-055, filed 3/16/94, effective 4/16/94. Statutory Authority: RCW 9.46.070 and 9.46.0325. 93-12-082, § 230-40-055, filed 5/28/93, effective 7/1/93. Statutory Authority: RCW 9.46.0281 and 9.46.070 (11), (12) and (14). 88-22-019 (Order 184), § 230-40-055, filed 10/24/88. Statutory Authority: Chapter 9.46 RCW. 86-17-057 (Order 160), § 230-40-055, filed 8/18/86. Statutory Authority: RCW 9.46.070 (1), (2), (4), (5), (6), (9), (11), (14) and (17) and 9.46.020 (19) and (23). 85-17-015 (Order 153), § 230-40-055, filed 8/12/85. Statutory Authority: RCW 9.46.020 (20)(d), 9.46.050(3) and 9.46.070 (1), (2), (5), (8), (9), (11) and (12). 85-03-026 (Order 144), § 230-40-055, filed 1/9/85.]

WAC 230-40-060 Persons shall not share in winnings or charge additional fee for playing cards. No organization, corporation or person shall collect or obtain or charge any percentage of, or shall collect or obtain any portion of the money wagered or won by any of the players, except that a player may collect his winnings. No organiza-

tion, corporation or person shall collect or obtain any money or thing of value from, nor shall charge or impose any fee upon, any person which either enables him to play or results from his playing card games, except the fee or fees specifically allowed by RCW 9.46.020 (20)(d) or these rules: *Provided*, That this rule shall not prevent an organization which has been established and operated for purposes other than card playing from charging its usual membership fee to belong to the operation.

[Order 72, § 230-40-060, filed 7/26/77; Order 29, § 230-40-060, filed 1/23/75; Order 23, § 230-40-060, filed 9/23/74.]

WAC 230-40-063 Charge for cutting cards. After the shuffle, the dealer will offer the cards for a cut. Following this initial offer of a cut, the licensee may require that a player pay not more than one dollar for the privilege of cutting the cards, provided that the cards may not be cut more than twice during each hand or game and that any and all such fees be placed into the pot for that hand or game.

[Statutory Authority: RCW 9.46.070 (8) and (11). 83-11-034 (Order 133), § 230-40-063, filed 5/16/83.]

WAC 230-40-070 Licensee to furnish all cards, chips and other services. Each licensee shall furnish the following items and services in connection with all card games conducted on its premises at no additional charge to the players:

(1) Chips. Chips for use in wagering shall be of generally conventional size and design. Chips furnished by a licensee shall be so designed that they are readily identifiable as having been furnished by that particular licensee.

(2) Cards or mah-jongg tiles. The deck, or decks of cards being used at a given table where any poker game is being played shall be changed at a minimum every half hour by the licensee.

Playing cards or mah-jongg tiles furnished shall be of generally conventional size and design. Playing cards or tiles that have been shaved, sanded, cut, carved, or otherwise marked in any manner which may make certain cards or tiles identifiable to players other than as allowed by the rules of the particular game are prohibited.

(3) Bank services. The licensee shall sell its chips to all players desiring to buy them not in excess of any limits set by the commission and redeem all chips at the value for which they were sold. The value at which the various types of chips are sold and redeemed shall be conspicuously posted and visible to each person prior to that person purchasing chips. Money taken in on chips sold and table fees collected shall be kept separate and apart from all other money received by the licensee.

(4) Chips may be sold for cash only and no credit of any nature shall be extended by an operator to a person purchasing chips: *Provided*, That an operator may accept a check in accordance with WAC 230-12-053. Counter checks are prohibited. Each receipt by a person of a quantity of chips from the operator shall be a separate transaction for the purpose of this rule. Checks received for chips retained by the operator after close of business shall be deposited by the operator not later than the second day following receipt upon which the operator's bank is open for business.

(5) No licensee shall allow any cards or chips not furnished by the licensee on that business day to be used in any card game conducted upon its premises. No licensee shall allow any other person to buy or sell chips for use in card games upon its premises nor provide any other item or service for use in connection with the game.

[Statutory Authority: RCW 9.46.070 (8), (11) and (14). 89-11-048 (Order 192), § 230-40-070, filed 5/16/89. Statutory Authority: RCW 9.46.070 (11), (14) and 9.46.0218 [9.46.0281]. 89-05-024 (Order 186), § 230-40-070, filed 2/13/89. Statutory Authority: RCW 9.46.070 (1), (2), (4), (5), (6), (11), (14) and (17). 86-13-055 (Order 158), § 230-40-070, filed 6/13/86; Order 74, § 230-40-070, filed 8/17/77; Order 40, § 230-40-070, filed 6/26/75; Order 29, § 230-40-070, filed 1/23/75; Order 23, § 230-40-070, filed 9/23/74.]

WAC 230-40-080 Person not to bring their own cards or chips. No person shall bring onto a premises licensed to allow the playing of card games, nor introduce into any card game, any playing card or cards, or any poker chip or chips for use in wagering, other than those obtained from the licensee on that business day.

[Order 40, § 230-40-080, filed 6/26/75; Order 23, § 230-40-080, filed 9/23/74.]

WAC 230-40-090 Devices, mechanisms, giving advantage—Prohibited. No device, apparatus, mechanism, or thing which may give a participant in a card game an advantage over any other participant in that game may be used by any person.

[Order 23, § 230-40-090, filed 9/23/74.]

WAC 230-40-120 Limits on wagers in card games. Social and public card room licensees shall not allow wagering limits set by the commission to be exceeded in any card game. The number and value of wagers in card games are limited as follows:

(1) The maximum number of wagers in any betting round shall be three, comprised of an initial wager plus two raises.

(2) The maximum number of a wager in any betting round shall be as follows:

(a) Games with a single betting round - ten dollars per wager;

(b) Games with multiple betting rounds:

(i) Two betting round games - wagers for the first round shall not exceed five dollars, and the second round shall not exceed ten dollars;

(ii) Three betting round games - wagers for the first two betting rounds shall not exceed five dollars, and wagers for the third betting round shall not exceed ten dollars;

(iii) Four betting round games - the wagers for each round may be structured by house rule: *Provided*, That the total wagers for all four betting rounds shall not exceed twenty-five dollars, and any single wager shall not exceed ten dollars; and

(iv) Five betting round games - the wagers for each round may be structured by house rule: *Provided*, That the total wagers for all five betting rounds shall not exceed thirty dollars, and any single wager shall not exceed ten dollars.

(c) Games that do not allow raises - single wager not to exceed ten dollars for each betting round.

(3) Games based on achieving a specific number of points - each point shall not exceed five cents in value.

(4) An ante, except for panguingue (pan), shall not be more than ten dollars. The ante may, by house rule, be made by one or more players, but the total ante may not exceed ten dollars. No one player can ante more than the maximum wager allowed in the first round. An ante may be used as part of a player's wager.

(5) Panguingue (pan) - maximum value of a chip for payoff will not exceed four dollars. Ante will not exceed one chip. No doubling of conditions. Players going out may collect not more than two chips from each participating player.

(6) Provided, Washington blackjack shall be subject to the rules and wagering limits set forth in WAC 230-40-125.

[Statutory Authority: RCW 9.46.070. 94-13-098 (Order 252), § 230-40-120, filed 6/15/94, effective 7/16/94. Statutory Authority: RCW 34.05.220(4), [34.05].230 and 9.46.070 (11) and (14). 90-05-032 (Order 205), § 230-40-120, filed 2/14/90, effective 3/17/90. Statutory Authority: RCW 9.46.070 (8), (11) and (14). 89-15-039 (Order 194), § 230-40-120, filed 7/18/89, effective 8/18/89. Statutory Authority: RCW 9.46.050(3) and 9.46.070 (1), (2) and (11). 86-15-025 (Order 159), § 230-40-120, filed 7/14/86. Statutory Authority: RCW 9.46.070 (1), (2) and (11) and 9.46.110. 85-21-046 (Order 154), § 230-40-120, filed 10/14/85. Statutory Authority: RCW 9.46.020 (20)(d) and 9.46.070(11). 82-23-050 (Order 125) and 83-01-045 (Order 125A), § 230-40-120, filed 11/15/82 and 12/13/82. Statutory Authority: RCW 9.46.070(11). 82-04-010 (Order 118), § 230-40-120, filed 1/22/82; 81-19-073 (Order 112), § 230-40-120, filed 9/15/81. Statutory Authority: RCW 9.46.070(10). 80-03-059 (Order 98), § 230-40-120, filed 2/25/80; Order 80, § 230-40-120, filed 12/28/77; Order 51, § 230-40-120, filed 4/30/76; Order 48, § 230-40-120, filed 3/23/76; Order 23, § 230-40-120, filed 9/23/74.]

WAC 230-40-125 Washington blackjack—Rules of play—Wagering limits. Washington blackjack is a nonhouse banking card game permitted in Class A and E card rooms. Washington blackjack shall be played in the following manner:

(1) Up to six standard fifty-two-card decks shall be used with suits disregarded and each card valued numerically only as follows: Ace equal 1 or 11; face cards (King, Queen, Jack) equal 10 each; others according to their spots, 10 to 2.

The number of decks used shall be established by house rule. The cards shall be dealt from a shoe at all times. The game is played with either a house dealer and a player/banker or a player who is a dealer/banker.

(2) When starting a new table the cards are cut to determine who the first banker will be. The banker shall announce the amount of money that he or she will put into the bank. A minimum bank may be established as per individual house rule. If a house dealer is used, the banker delivers the bank to the dealer and the dealer shall place a marker reading "banker" on the bet line in front of the banker.

(3) Once the bank has been established, the player to the immediate left of the banker places his/her wager on the bet line and the dealer covers that wager by matching it with a like amount of chips. Each player makes their wager in turn and each wager is immediately matched by the dealer. The maximum and minimum wager may be set by house rule but in no event shall the maximum wager exceed twenty-five dollars. If the bank runs out of money (tapped out) prior to the commencement of the deal, then only those players with a wager covered will be dealt a hand.

(4) The play begins with the dealer dealing one card face up to each covered player including himself/herself, one more card face up to each covered player, and then one down card to himself/herself. A player may be dealt more than one hand by house rule. When a house dealer is used, no cards are dealt to the banker. If a player holds an ace and a face card or a ten, it is a "natural" 21 and the player collects 1.5 times the amount of their bet from the dealer, unless the dealer also has a natural which results in a tie (push). All ties result in the players and the dealer recovering their wagers.

(5) If the dealer has a "natural," he/she collects the wagers from players who do not have a "natural." If the dealer does not have a "natural," he/she pays off any player with a "natural" starting with the first one to the left of the banker. Should the dealer not have enough money in the bank to make up the 1.5 for one payoff due on a "natural," then those hands and wagers will be frozen in place until the additional wagers are made up or the hand is over. If after the hand is over, a dealer cannot cover the 1.5 for one, the player shall get the amount of wager that was covered by the dealer.

(6) If the dealer does not have a "natural," play continues with the player on the banker's immediate left. The dealer deals cards face up, one by one, as that player calls for them. The player's aim is to total 21 or as close to 21 without going over. When a player is satisfied with their total, they shall declare "stand." If the player wants more cards, the player declares "hit." If a player goes over a 21 point count, the hand is a "bust" and they must turn the hand down, while the dealer collects the bet. The dealer does the same with each remaining player. Any player who stands must wait while the dealer draws his or her cards. If the dealer goes bust, each standing player is paid the amount of their wager. If the dealer "stands," the down card is turned up and players whose totals are higher than the dealer's are paid. The dealer collects from any player whose total is less. Action is always to the left of the banker. Any frozen wagers needing to be "made up" will be done in order, to the left of the banker from losing wagers the dealer collects.

(7) Should the dealer not be able to cover all frozen wagers then those frozen wagers are released to the winning players and the deal passes immediately to the left at which time the new banker shall announce the amount of the bank and shuffle the cards. The same shall apply if the banker has no money in the bank. The banker may, if allowed by house rule, add to their bank in between hands.

(8) Upon completion of the shuffle, the player to the right of the banker shall cut the cards. After the cards have been placed into the shoe the dealer shall insert a blank card approximately three quarters of the way through the deck(s). A dealer may deal from the shoe until he/she reaches the blank card. After the blank card appears, the dealer may continue dealing that hand, but will not start a new hand. If a house dealer is used, he/she returns the remaining chips in the bank to the banker. The player on the banker's immediate left shall be offered the opportunity to be the next dealer/banker or banker. The discards may only be reshuffled to complete the last hand.

(9) Once wagers are placed and covered on the bet line, no player, including the banker, may touch those wagers until the winner has been determined. Any player touching

the wagers may be ruled to have fouled and their wager forfeited.

(10) Any player who lifts their cards up from the table or slides their cards out of their own playing area shall be ruled to have fouled and their wager may be forfeited.

(11) No player may "buy" the bank. The bank must pass around the table to the left and no player can authorize anyone other than a house dealer to deal for him or her. No player may be the banker for more than one consecutive shoe before passing the bank: *Provided*, That when there are less than five players at a table a player may deal more than one consecutive shoe only when the remaining players have passed the deal.

(12) The dealer must stand on seventeen or above and must take hits on sixteen or below. If a dealer has an ace, it shall be counted as eleven if it brings his or her total to seventeen or more (but not over twenty-one). *Provided*, the house may elect to play a "soft seventeen," which occurs when the dealer's first two cards are an ace valued at eleven and a six. If the house elects to play a soft seventeen, house rules must specify that the dealer must hit a soft seventeen, and must stand on a hard seventeen and any eighteen or above. House blackjack rules must be posted in plain view to the players and the house must ensure they are consistently followed.

(13) The conditions for doubling down shall be set by house rule, provided that the wager may be doubled and the player received only one more card. The player must then stand on those three cards. If the dealer's bank is insufficient to cover a double down wager, the player may wager an amount equal to the dealer's remaining bank. The dealer must then cover that wager. If the dealer has no bank then a player may not double down.

(14) If the dealer's face-up card is a ten, face card or ace, he/she may look at their face-down card to see if they have a natural; if his/her face-up card is anything else, they may not look at their face-down card until their turn comes to draw.

(15) If a player's first two cards are a pair, then that player may split the pair into two separate hands. The amount of the player's original bet then goes on one of the cards, and they must place an equal amount as a bet on the other card. If the dealer does not have enough in their bank to cover the doubled bet, the dealer must cover an amount equal to the value of their remaining bank. The player then has the option to divide the wagers in any manner between the two hands, not to exceed the allowable limit per hand. If the dealer has no bank then the player may divide their wager in any manner between the two hands, unless the player's original bet was a minimum allowed in that game then they may not split their pair. Additional splits shall be determined by house rule.

(16) The dealer will pay only on the value of the cards held by the player and shall not pay on the number of cards received or the card sequence.

[Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4). 95-23-109, § 230-40-125, filed 11/22/95, effective 1/1/96. Statutory Authority: RCW 9.46.070. 93-13-062 (Order 240), § 230-40-125, filed 6/17/93, effective 7/18/93. Statutory Authority: Chapter 9.46 RCW. 91-21-053 (Order 228), § 230-40-125, filed 10/15/91, effective 11/15/91; 91-05-047 (Order 220), § 230-40-125, filed 2/14/91, effective 3/17/91. Statutory Authority: RCW 9.46.070 (11) and (14). 90-11-058, § 230-40-125, filed 5/15/90, effective 6/15/90. Statutory Authority: RCW

34.05.220(4), [34.05].230 and 9.46.070 (11) and (14). 90-05-032 (Order 205), § 230-40-125, filed 2/14/90, effective 3/17/90.]

WAC 230-40-130 Wagers to be made with chips only. All wagers made in connection with a card game shall be made with chips furnished by the licensed premises. No money, nor other thing of value, shall be used directly in the game itself.

[Order 23, § 230-40-130, filed 9/23/74.]

WAC 230-40-140 Change in method of wagering prohibited. Once a method of betting is chosen for a particular hand or game, that method must be used until the hand or game is completed.

[Order 23, § 230-40-140, filed 9/23/74.]

WAC 230-40-150 Side bets prohibited. Side bets among the participants are prohibited.

[Order 23, § 230-40-150, filed 9/23/74.]

WAC 230-40-160 Wagers by other than participants prohibited. Only persons actually playing in the card game may wager upon the outcome of the game. Wagers by persons other than those playing which in any way involves the outcome of the game, or of any aspect of the game, are prohibited.

[Order 23, § 230-40-160, filed 9/23/74.]

WAC 230-40-200 Participants to compete on equal terms—Deal to rotate among players. Participants in card games shall compete on equal terms with all other participants in the game, and solely as a participant therein.

The deal in any series of card games shall be passed from player to player, unless the table incorporates a house dealer as per house rule. No player who deals a game shall deal another game until each other player at the table has dealt a game in his turn: *Provided*, That any player may voluntarily waive his right to deal any particular game.

Licensees shall take all necessary measures to insure that card games played upon their premises are played in this manner.

[Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4). 95-23-109, § 230-40-200, filed 11/22/95, effective 1/1/96. Order 40, § 230-40-200, filed 6/26/75; Order 23, § 230-40-200, filed 9/23/74.]

WAC 230-40-225 House dealer allowed in certain games. Notwithstanding the provisions of WAC 230-40-200, any licensee may furnish a dealer or "mucker" in any Washington blackjack, pan or poker game played on the licensed premises. Dealers shall have no financial interest, directly or indirectly, in the outcome of such game and shall not otherwise participate or play in the game.

[Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4). 95-23-109, § 230-40-225, filed 11/22/95, effective 1/1/96. Statutory Authority: RCW 9.46.070. 94-13-098 (Order 252), § 230-40-225, filed 6/15/94, effective 7/16/94; Order 29, § 230-40-225, filed 1/23/75.]

WAC 230-40-230 No person shall have someone play for him or assist another participant. No persons shall allow a representative to sit in on a card game on his behalf for any purpose, or to render assistance to any participant in the game in a manner which gives that participant an advantage over other participants. No person shall act as such a representative.

[Order 23, § 230-40-230, filed 9/23/74.]

WAC 230-40-250 Licensee to prevent cheating in card games. A licensee to allow certain premises to be used to play cards and his employees or agents shall not allow any player to play in such a manner as to cheat the persons with whom he is playing. The licensee shall take all necessary steps to prevent this and shall be responsible to insure that the games played upon the licensed premises are fairly played.

Any incident wherein a person is found cheating shall be reported immediately to the applicable local police or sheriff's office.

[Statutory Authority: RCW 9.46.070(10), 78-06-066 (Order 85), § 230-40-250, filed 5/25/78; Order 23, § 230-40-250, filed 9/23/74.]

WAC 230-40-315 No food or drink sales on time basis in card room. All sales of food or drink in the licensed card room must be charged for and collected at the time the food or drink is delivered to the customer. No licensee may charge a person playing cards in a licensed card room for food or drink on a time basis. For the purpose of determining whether a card room operator is operating the licensed card room as a commercial stimulant, the calculation of gross sales of food and drink shall not include any sale of food or drink on a time basis to a person playing cards in the licensed card room.

For purposes of this rule, a "time basis" means a charge for the consumption or opportunity to consume food or drink over a period of time.

[Statutory Authority: RCW 9.46.020(5) and 9.46.070(14), 82-06-007 (Order 119), § 230-40-315, filed 2/19/82.]

WAC 230-40-320 Minors or intoxicated persons shall not play cards or provide services to the game. (1) No person who is visibly under the influence of liquor or any narcotic or other such substance shall be allowed to play, or continue to play, in any card game or to participate in providing any services for the game.

(2) No person who is under the age of 18 years shall be allowed to play in any card game or to participate in providing any services to the game.

(3) It shall be the responsibility of the licensee, and of those persons physically operating the card games, to determine that no unauthorized person is allowed to participate in any manner in the playing of, or providing services to, any card game.

[Order 23, § 230-40-320, filed 9/23/74.]

WAC 230-40-331 Bona fide nonprofit or charitable organizations—Members only to play social card and dice games—Exception. No bona fide charitable or nonprofit organization shall permit any person other than its

members and members of a chapter or unit organized under the same state, regional, or national charter or constitution to play social card games or social dice games on its premises: *Provided*, That such organizations, when licensed to allow a social card room on its premises may permit no more than twenty-five percent of the persons playing in the licensed card room at any one time to be guests of members.

[Statutory Authority: RCW 9.46.070 (5), (7), (8), (9), (11), (14) and (19), 84-13-038 (Order 140), § 230-40-331, filed 6/15/84; Order 78, § 230-40-331, filed 11/17/77.]

WAC 230-40-400 Hours limited for card games. The hours during which card games may be played in licensed public card rooms shall be limited as follows:

(1) Licensees shall not allow the use of their premises for card playing between the hours of 2:00 a.m. and 6:00 a.m.: *Provided*, That the director may allow closing hours to be adjusted beyond 2:00 a.m. as long as the following conditions remain in effect:

(a) The local law enforcement agency with jurisdiction concurs;

(b) Other state agencies involved in regulation of the business do not object; and

(c) A licensee must observe a four-hour period of closure at the end of each business day before beginning the next period of operation.

(2) The food and/or drink business being stimulated shall be open to the public for business any time card games are conducted: *Provided*, That entry to the business by new customers may be limited if access to the premises is open to the commission, law enforcement, or other state or local regulatory agencies, and service of food and nonalcoholic beverages is available for customers remaining on the premises after 2:00 a.m.

(3) At all times during the hours of operation of a Class E card room, the operator or a licensed card room employee must be on duty and in the licensed card room area.

[Statutory Authority: RCW 9.46.070 (1)-(4), (7), (8), (11), (12), (14), (20) and 9.46.110 (3), (4), 95-23-109, § 230-40-400, filed 11/22/95, effective 1/1/96. Statutory Authority: RCW 9.46.070, 95-13-024, § 230-40-400, filed 6/13/95, effective 7/14/95. Statutory Authority: RCW 9.46.070(11), 82-04-010 (Order 118), § 230-40-400, filed 1/22/82; Order 58, § 230-40-400, filed 8/17/76; Order 40, § 230-40-400, filed 6/26/75; Order 23, § 230-40-400, filed 9/23/74.]

WAC 230-40-450 Pictures to be posted with employee licenses. The operator of a licensed public card room shall post together with each of the licenses of employees for which licenses are required a picture of that employee. Such picture shall be of a passport type not less than 2" x 3" and clearly showing a full front facial view of that employee.

[Statutory Authority: RCW 9.46.070 (4), (7), (8) and (11), 83-06-077 (Order 127), § 230-40-450, filed 3/2/83.]

WAC 230-40-500 House rules to be developed and posted. Each bona fide charitable or nonprofit organization which is licensed pursuant to RCW 66.24.400 who allows the use of the premises, furnishings, and other facilities to be used by its members to participate in social card games and social dice games as authorized by RCW 9.46.030(7) without a license by the commission shall develop, adopt and post

rules of conduct for the members participating in the activities, including but not limited to general rules of play, portions of premises to be used, hours of play allowed, and the organization's restriction on members authorized to participate.

[Order 78, § 230-40-500, filed 11/17/77.]

WAC 230-40-999 Public card room enhancement program—Pilot study and test. The 1996 legislature enacted changes to the definition of a social card game, set forth in RCW 9.46.0281. The commission finds it to be in the public interest to conduct a pilot study to test regulatory provisions implementing the 1996 statutory changes. The statutory changes include increasing the number of card tables, authorizing licensed card room operators to act as custodians of player-supported progressive prize contests, and collecting fees through methods other than fees based on a period of time played. Licensees may voluntarily participate in the test subject to the following terms and conditions:

(1) The test shall commence July 1, 1996, and conclude when permanent rules are adopted. By August 1997, commission staff shall report to the commission on the progress of the test and shall submit rules for formal implementation of the public card room enhancement program with the goal of formal implementation by January 1, 1998.

(2) The licensee shall enter into an agreement with the director regarding the terms and conditions of the test for that particular licensee. If the terms and conditions of the agreement conflict with existing gambling commission rules, the agreement will supersede for the duration of the test;

(3) The terms and conditions of each agreement shall be submitted to the commission and when approved shall be binding on the licensee.

(4) The licensee must have been operating a class "E-1" through "E-5" card room either before July 1, 1996, or for at least six months before implementing test scope of activities;

(5) The annual preliminary nonrefundable license fee deposit required to participate in the test shall be based on amounts necessary to cover the commission's cost to conduct the test. During the test, participants may be assessed additional amounts necessary to recover commission costs. As part of the application to participate, applicants shall make the following deposits:

(a) The deposit for testing an increased number of tables shall be those set forth in WAC 230-04-203 (\$3,160), plus:

- (i) Six through ten tables: \$1,200 per table; or
- (ii) Eleven through fifteen tables: \$6,000, plus \$1,500 per table;

(b) The deposit for testing player-supported progressive prize contests shall be \$1,020 plus:

- (i) One through three prize contest: \$240 per contest; or

(ii) Greater than three contests: \$720 plus \$120 per contest.

(c) The deposit for testing fee collection methods other than fees based on a period of time shall be \$1,020 plus:

- (i) One through five tables: \$120 per table;
- (ii) Six through ten tables: \$600 plus \$240 per table; or
- (iii) Greater than ten tables: \$1,800 plus \$360 per table.

(7) In the event a licensee violates the terms of its agreement or fails to pay assessments within seven days of billing, the director shall have the authority to remove that licensee from participation in the test. Upon removal from the test, the licensee will return to its pre-test scope of activities. Removal from the test shall not be subject to review or appeal.

[Statutory Authority: RCW 9.46.0281, 9.46.070 (1), (2), (4)-(8), (11), (12), (14) and (20). 96-17-011 (Order 299), § 230-40-999, filed 8/12/96, effective 9/12/96.]

Chapter 230-46 WAC UNLICENSED ACTIVITIES

WAC

230-46-010	Purpose.
230-46-020	Definitions.
230-46-025	Telephone charges—Valuable consideration.
230-46-070	Punchboards/pull tabs and pull tab dispensing devices not to be used in promotional contests—Exception.
230-46-100	Bona fide charitable/nonprofit organizations—Limited social card games without obtaining a license—Conditions.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

230-46-030	Promotional contests—Legality. [Statutory Authority: RCW 9.46.070 (3), (8) and (11). 85-09-040 (Order 149), § 230-46-030, filed 4/15/85.] Repealed by 86-07-044 (Order 156), filed 3/17/86.
230-46-040	Promotional contests limited to seven days unless optional methods of entry are included. [Statutory Authority: RCW 9.46.070 (3), (8) and (11). 85-09-040 (Order 149), § 230-46-040, filed 4/15/85.] Repealed by 86-07-044 (Order 156), filed 3/17/86.
230-46-050	Promotional contests—Admission fee limitation. [Statutory Authority: RCW 9.46.070 (3), (8) and (11). 85-09-040 (Order 149), § 230-46-050, filed 4/15/85.] Repealed by 86-07-044 (Order 156), filed 3/17/86.
230-46-060	Valuable consideration—Lotteries prohibited. [Statutory Authority: RCW 9.46.070 (3), (8) and (11). 85-09-040 (Order 149), § 230-46-060, filed 4/15/85.] Repealed by 86-07-044 (Order 156), filed 3/17/86.

WAC 230-46-010 Purpose. The Washington state gambling commission deems it to be in the public interest to interpret RCW 9.46.0355 so as to insure uniformity and fairness to all sponsors of said promotional contests of chance. It is further the purpose of these regulations to notify all sponsors and their affiliates as to what types of promotional contests of chance are legal and not legal in the state of Washington.

[Statutory Authority: RCW 9.46.070. 95-12-051, § 230-46-010, filed 6/2/95, effective 7/3/95. Statutory Authority: RCW 9.46.030(10) and 9.46.070 (14) and (20). 86-08-007 (Order 156), § 230-46-010, filed 3/20/86. Statutory Authority: RCW 9.46.070 (3), (8) and (11). 85-09-040 (Order 149), § 230-46-010, filed 4/15/85.]

WAC 230-46-020 Definitions. (1) "Lottery" means a scheme for the distribution of money or property by chance, among persons who have paid or agreed to pay a valuable consideration for the chance.

(2) "Promotional contest of chance" means a scheme designed to promote a specific business, product(s) or service, and not the scheme itself, in which a person, associ-

ation, or an organization may distribute money or property among individuals who have agreed to participate in a contest of chance equally with other participants, providing no participant is required to do more than the allowable methods of entry authorized under the provisions of RCW 9.46.0355.

(3) "Promotional material" means all material which defines the rules of a particular promotional contest of chance, which may extend to a description or an explanation of a product(s), service(s), or combination(s) thereof being promoted.

(4) "Perusing promotional material" means to read or examine contest rules and/or the specific product(s), service(s), or combination(s) thereof being promoted: *Provided*, That the contest rules or its promotional material shall disclose any additional requirement(s) to attend a demonstration, tour a facility or specific areas, visit a specified location or similar activity, to include the approximate length of time in connection with a promotional scheme: *Provided further*, That any tour, demonstration, visit, or combination of requirement(s) will not extend beyond a total of two consecutive hours in duration.

[Statutory Authority: RCW 9.46.070 (11) and (14), 88-17-050 (Order 182), § 230-46-020, filed 8/16/88. Statutory Authority: RCW 9.46.030(10) and 9.46.070 (14) and (20), 86-08-007 (Order 156), § 230-46-020, filed 3/20/86. Statutory Authority: RCW 9.46.070 (3), (8) and (11), 85-09-040 (Order 149), § 230-46-020, filed 4/15/85.]

WAC 230-46-025 Telephone charges—Valuable consideration. Any participant required to place a telephone call as a means of entry for a promotional contest of chance, shall not be required to pay any additional charges over and above the actual cost for placing such a call as established by a registered telephone company. Any charges over and above the actual cost of placing the telephone call, such as those associated with a 1-900 number whereby an additional service fee or other charges may be levied, shall be deemed a valuable consideration and beyond the allowable methods of entry authorized by RCW 9.46.0355.

[Statutory Authority: RCW 9.46.0355 and [9.46.]070(14), 90-13-022, § 230-46-025, filed 6/11/90, effective 7/31/90.]

WAC 230-46-070 Punchboards/pull tabs and pull tab dispensing devices not to be used in promotional contests—Exception. (1) Punchboards/pull tabs and pull tab dispensing devices may not be used as a part of any promotional contest of chance as authorized in RCW 9.46.0355. This prohibition shall not apply to promotional game cards which could otherwise qualify as pull tabs when such game cards meet the following standards:

(a) The promotional game cards are readily distinguishable from any specific pull tab series or pull tab type used within the state of Washington;

(b) The promotional game cards are designed and manufactured for a specific and unique promotional contest of chance;

(c) The promotional game cards clearly display the name of the sponsoring business or the name of the product(s) being promoted;

(d) The promotional game cards do not or have never contained a price per play on the card; and

(e) The official rules of play including the language "no purchase necessary" are printed on the back of each promotional game card.

(2) Promotional game cards, punchboards/pull tabs or dispensing devices found to be in violation of this prohibition shall be subject to immediate seizure pursuant to RCW 9.46.230.

[Statutory Authority: RCW 9.46.070, 92-22-058, § 230-46-070, filed 10/29/92 effective 11/29/92. Statutory Authority: RCW 9.46.070 (11) and (14), 88-17-050 (Order 182), § 230-46-070, filed 8/16/88.]

WAC 230-46-100 Bona fide charitable/nonprofit organizations—Limited social card games without obtaining a license—Conditions. Bona fide charitable or nonprofit organizations may, as defined by RCW 9.46.0209, allow limited social card games to be played upon their premises without obtaining a license under the conditions set out below:

(1) Only bona fide members of the organization and members of a chapter or unit organized under the same state, regional, or national chapter who are players, as defined by RCW 9.46.0265, are allowed to participate;

(2) No person is, directly or indirectly, charged a fee to participate;

(3) Only bona fide members of the organization and members of a chapter or unit organized under the same state, regional, or national charter, who are not compensated for such services, are permitted to perform any work or service in support of such card games;

(4) The types of card games played are limited to the following: *Provided*, That a charitable or nonprofit organization may petition the director for approval of additional games on a case-by-case basis, which would be effective for no longer than six months or until approved by the commission whichever occurs first:

- (a) Hearts;
- (b) Rummy;
- (c) Pitch;
- (d) Pinochle;
- (e) Cribbage;
- (f) Bridge;
- (g) Bid Whist; and
- (h) Dominos; and

(5) All restrictions regarding the granting of credit, method and amount of wagers, and rules of play set out in this title and chapter 9.46 RCW are followed.

[Statutory Authority: RCW 9.46.0281, 9.46.070 (1), (2), (14) and (20), 96-11-073, § 230-46-100, filed 5/13/96, effective 7/1/96. Statutory Authority: RCW 9.46.070, 94-23-007, § 230-46-100, filed 11/3/94, effective 1/1/95.]

Chapter 230-48 WAC TRIBAL CASINOS

WAC

230-48-010 Tribal-state compacts—Phase II commission review.

WAC 230-48-010 Tribal-state compacts—Phase II commission review. (1) Pursuant to each tribal/state compact and upon successful completion of a Phase II investigative review, the director shall forward a summary of the material aspects of the investigative review with a

recommendation for approval to Phase II status to the commissioners at least seven days prior to a meeting of the commission.

(2) At least ten days prior to the same meeting, the director's recommendation along with a notice of formal review shall be forwarded to the tribal government and local law enforcement agencies surrounding the Class III gaming operation. The notice shall set forth the proposed action and instructions for submission of written comments to the formal review process.

(3) During the meeting of the commission for which notice of formal review was given, the commission shall conduct a review of the Class III gaming operation. The review shall address the following criteria:

(a) Whether there have been any violations of the provisions of the compact which have resulted in sanctions imposed by the Federal District Court;

(b) Whether there have been any violations of the compact which are substantial or, due to repetition, would be deemed material;

(c) Whether there have been any material adverse impacts on the public safety or welfare of the surrounding communities in the nature of criminal activities directly related to the operation of the Class III operation;

(d) Whether there have been any unresolved and material violations of Appendix A of the compact; and

(e) Whether the tribal gaming agency has developed an adequate program of regulation and control and demonstrated an adequate level of proficiency, which includes the hiring of trained tribal gaming agents, an independent regulatory and reporting structure that is separate from that of the gaming operation or tribal bodies, a thorough and developed system for the reporting of compact violations, and a strong and consistent presence within the Class III facility.

(4) Upon completion of the review, the commission shall either approve, deny, or grant a conditional Phase II approval.

(5) If Phase II is denied or conditionally approved, the commission shall within ten working days issue a written order to the tribe setting forth the basis for the decision.

[Statutory Authority: RCW 9.46.360. 95-13-032, § 230-48-010, filed 6/13/95, effective 7/14/95.]

Chapter 230-50 WAC

HEARINGS—PRACTICE AND PROCEDURE

WAC

230-50-010	Adjudicated proceedings—Hearings.
230-50-012	Summary suspensions.
230-50-015	Stay of summary suspension.
230-50-018	Review of orders on stay.
230-50-020	Adjudicated proceedings—Appointment of administrative law judge.
230-50-030	Adjudicated proceedings—Hearings—Interpreter—Timing.
230-50-060	Adjudicated proceedings—Appearance and practice before the commission—Who may appear.
230-50-080	Solicitation of business unethical.
230-50-090	Standards of ethical conduct.
230-50-100	Appearance by former employee of commission or former member of attorney general's staff.
230-50-110	Computation of time.
230-50-150	Adjudicated proceedings—Notice of hearing—Requirements.

230-50-160	Adjudicated proceedings—Service of process—By whom served.
230-50-170	Service of process—Upon whom served.
230-50-180	Service of process—Service upon parties.
230-50-190	Adjudicated proceedings—Service of process—Method of service.
230-50-200	Adjudicated proceedings—Service of process—When service complete.
230-50-210	Adjudicated proceedings—Service of process—Filing with agency.
230-50-225	Adjudicated proceedings—Discovery.
230-50-230	Adjudicated proceedings—Subpoenas, issuance, service, fees, quashing and enforcement.
230-50-235	Brief adjudicative proceedings—Discovery limitations.
230-50-300	Adjudicated proceedings—Depositions and interrogatories—Right to take.
230-50-310	Depositions and interrogatories in contested cases—Scope.
230-50-320	Depositions and interrogatories in contested cases—Officer before whom taken.
230-50-330	Adjudicated proceedings—Depositions and interrogatories—Notice.
230-50-340	Depositions and interrogatories in contested cases—Protection of parties and deponents.
230-50-350	Depositions and interrogatories in contested cases—Oral examination and cross-examination.
230-50-360	Depositions and interrogatories in contested cases—Recordation.
230-50-370	Depositions and interrogatories in contested cases—Signing attestation and return.
230-50-380	Depositions and interrogatories in contested cases—Use and effect.
230-50-390	Adjudicated proceedings—Depositions and interrogatories—Fees of deponents—Costs of deposition.
230-50-400	Depositions upon interrogatories—Submission of interrogatories.
230-50-410	Depositions upon interrogatories—Interrogation.
230-50-420	Depositions upon interrogatories—Attestation and return.
230-50-500	Official notice—Matters of law.
230-50-510	Official notice—Material facts.
230-50-520	Presumptions.
230-50-530	Stipulations and admissions of record.
230-50-550	Adjudicated proceedings—Initial or final order.
230-50-560	Petition for review of an initial order—Replies to a petition for review, and cross appeals—When an initial order becomes a final order—Time limits and content requirements.
230-50-562	Final orders—When and how to file a petition for reconsideration of a final order.
230-50-570	Adjudicated proceeding—Stay.
230-50-580	Adjudicated proceedings—Hearings—Forms.
230-50-610	Adjudicated proceedings settlement conferences and prehearing conferences.
230-50-630	Submission of documentary evidence in advance.
230-50-640	Excerpts from documentary evidence.
230-50-650	Expert or opinion testimony and testimony based on economic and statistical data—Number and qualifications of witnesses.
230-50-660	Expert or opinion testimony and testimony based on economic and statistical data—Written sworn statements.
230-50-670	Expert or opinion testimony and testimony based on economic and statistical data—Supporting data.
230-50-680	Expert or opinion testimony and testimony based on economic and statistical data—Effect of noncompliance with WAC 230-50-650 or 230-50-660.
230-50-700	Continuances.
230-50-750	Rules of evidence—Admissibility criteria.
230-50-760	Rules of evidence—Tentative admission—Exclusion—Discontinuance—Objections.
230-50-800	Petitions for rule making, amendments or repeal.
230-50-815	Deadlines for submitting items to be included in the commission meeting agenda—Exceptions.
230-50-850	Declaratory order.

DISPOSITION OF SECTIONS FORMERLY
CODIFIED IN THIS CHAPTER

- 230-50-070 Appearance in certain proceedings may be limited to attorneys. [Order 9, § 230-50-070, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-140 Waiver of hearing. [Order 9, § 230-50-140, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-220 Subpoenas—Form. [Order 9, § 230-50-220, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-240 Subpoenas—Service of. [Order 9, § 230-50-240, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-250 Subpoenas—Fees. [Order 9, § 230-50-250, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-260 Subpoenas—Proof of service. [Order 9, § 230-50-260, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-270 Subpoenas—Quashing. [Order 9, § 230-50-270, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-280 Subpoenas—Enforcement. [Order 9, § 230-50-280, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-290 Subpoenas—Geographical scope. [Order 9, § 230-50-290, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-430 Depositions upon interrogatories—Provisions of deposition rule. [Order 9, § 230-50-430, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-600 Definition of issues before hearing. [Order 9, § 230-50-600, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-620 Prehearing conference rule—Record of conference action. [Order 9, § 230-50-620, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-810 Petitions for rule making, amendments or repeal—Requisites. [Order 9, § 230-50-810, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-820 Petitions for rule making, amendments or repeal—Agency must consider. [Order 9, § 230-50-820, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-830 Petitions for rule making, amendments or repeal—Notice of disposition. [Order 9, § 230-50-830, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
- 230-50-950 Forms. [Order 9, § 230-50-950, filed 12/19/73.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.

WAC 230-50-010 Adjudicated proceedings—Hearings. (1) Adjudicated proceedings shall be commenced for any and all matters wherein the commission is causing administrative charges to be brought against any applicant,

licensee or permittee within the limitations to chapter 34.05 RCW as applicable.

(2) The commission shall afford an applicant for a license an opportunity for an adjudicated proceeding prior to denying such application, and shall afford a licensee the opportunity for an adjudicated proceeding prior to suspending or revoking a license.

(3) The commission will afford a person applying to the commission for approval of a pull tab dispensing device under WAC 230-30-095 an opportunity for an adjudicated proceeding prior to denying approval of such device.

(4) No hearing will be conducted with respect to any adjudicated proceeding unless an application for an adjudicated proceeding and request for hearing is timely filed by the applicant or licensee with the commission in compliance with WAC 230-50-210. The application must be made upon a form to be obtained from the commission, or facsimile thereof, and must be received within 20 days following service upon the party affected by the commission or the director of a notice of administrative charges and opportunity for an adjudicated proceeding. Said document shall contain the maximum penalty that may be assessed should an application not be filed by the party affected. An application for an adjudicated proceeding and request for hearing shall accompany all notices of administrative charges.

(5) If an application for an adjudicated proceeding is not timely filed, then the party affected shall have waived the right to a hearing on the allegations set forth in the notice of administrative charges. The party shall be deemed to be in default pursuant to RCW 34.05.440 and the commission and director may take action against the party not to exceed the maximum penalty as stated in the notice of administrative charges and opportunity for an adjudicated proceeding, which action shall be final.

(6) The procedures of RCW 34.05.485, brief adjudicative proceedings, shall be used for the following purposes:

(a) All hearings in which the penalty sought by the commission is for a suspension of seven days or less;

(b) Hearings held pursuant to WAC 230-50-015 (stay of summary suspension);

(c) Hearings held pursuant to WAC 230-04-400(3) (failure to pay required gambling taxes);

(d) Hearings held pursuant to WAC 230-04-190 (10)(c) (two part payment plan: Failure to make second payment);

(e) Hearings in which the parties have stipulated to facts or the parties have stipulated to charges, and the hearing is limited to a determination of whether facts constitute violations as charged and/or determination of appropriate penalty to be imposed; or

(f) Where the parties have stipulated to the use of brief adjudicative proceedings.

[Statutory Authority: RCW 9.46.070, 95-13-030, § 230-50-010, filed 6/13/95, effective 7/14/95; 92-19-107 (Order 231), § 230-50-010, filed 9/18/92, effective 10/19/92. Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-010, filed 11/27/89, effective 12/28/89. Statutory Authority: RCW 9.46.070(13), 80-03-059 (Order 98), § 230-50-010, filed 2/25/80; Order 45, § 230-50-010, filed 12/30/75; Order 9, § 230-50-010, filed 12/19/73.]

WAC 230-50-012 Summary suspensions. (1) Pursuant to RCW 34.05.422(4), the director may exercise the commission's authority to summarily suspend any license or

permit issued to such licensee or permittee upon a determination that one or more of the actions identified in subsection (2) of this section have occurred and that immediate cessation of the licensed or permitted activities is necessary for the protection or preservation of the safety and welfare of the public. Suspension of a license under this provision shall take effect immediately upon service of the summary suspension order unless otherwise provided in the order.

(2) The commission deems the following actions of a licensee or permittee to constitute an immediate danger to the public safety and welfare which may require the immediate cessation of licensed or permitted activities:

(a) Failure or refusal to comply with the provisions, requirements, conditions, limitations, or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the commission pursuant thereto;

(b) Knowingly causing, aiding, abetting, or conspiring with another to cause any person to violate any of the laws of this state or the rules of the commission;

(c) Obtaining a license or permit by fraud, misrepresentation, concealment, or through inadvertence or mistake;

(d) Conviction of, or forfeiture of a bond upon a charge of, or having pled guilty to, forgery, larceny, extortion, conspiracy to defraud, willful failure to make required payments or reports to a governmental agency at any level, or filing false reports therewith, or of any similar offense or offenses, or of bribing or otherwise unlawfully influencing a public official or employee of any state or the United States, or of any crime, whether a felony or misdemeanor involving any gambling activity or physical harm to individuals or involving moral turpitude;

(e) Allowing any person who has been convicted of, or forfeited bond upon, any of the offenses included under (d) of this subsection, to participate in the management or operation of any activity regulated by the commission without prior written approval of the commission or its director;

(f) Licensee is subject to current prosecution or pending charges, or a conviction which is under appeal, for any of the offenses included under (d) of this subsection;

(g) Denying the commission or its authorized representatives, including authorized local law enforcement agencies, access to any place where a licensed activity is conducted or failure to promptly produce for inspection or audit any book, record, document, or item required by law or commission rule;

(h) Making a misrepresentation of, or failure to disclose, a material fact to the commission;

(i) Licensee has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the criminal or civil public policy of this state if such pursuit creates probable cause to believe that the participation of such person in gambling or related activities would be inimical to the proper operation of an authorized gambling or related activity in this state. For the purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management, or execution of an activity for financial gain; and

(j) Licensee is a career offender or a member of a career offender cartel or an associate of a career offender or career offender cartel in such a manner which creates probable cause to believe that the association is of such a

nature as to be inimical to the policy of chapter 9.46 RCW or to the proper operation of the authorized gambling or related activities in this state. For the purposes of this section, career offender shall be defined as any person whose behavior is pursued in an occupational manner or context for the purpose of economic gain utilizing such methods as are deemed criminal violations of the public policy of this state.

A career offender cartel shall be defined as any group of persons who operate together as career offenders.

(3) When a license or permit has been summarily suspended by the director, an adjudicated proceeding shall be commenced and the licensee or permittee shall be afforded an opportunity for a hearing before an Administrative Law Judge or the commission, upon the question of the suspension or revocation of the license or permit, or upon the renewal of the license or permit should it expire during the period of summary suspension. If an application for an adjudicated proceeding and request for hearing is timely filed by the licensee or permittee, then a hearing shall be held within 90 days of the effective date of the summary suspension ordered by the director.

[Statutory Authority: RCW 9.46.070, 92-19-107 (Order 231), § 230-50-012, filed 9/18/92, effective 10/19/92. Statutory Authority: RCW 34.05.422(4), 90-07-018 (Order 207) § 230-50-012, filed 3/13/90, effective 4/13/90. Statutory Authority: Chapter 34.05 RCW, 89-24-003 (Order 200), § 230-50-012, filed 11/27/89, effective 12/28/89; Order 29, § 230-50-012, filed 1/23/75.]

WAC 230-50-015 Stay of summary suspension. (1)

Upon summary suspension of a license or permit by the director pursuant to WAC 230-50-012, an affected licensee or permittee may petition the commission for a stay of suspension pursuant to RCW 34.05.467 and 34.05.550(1). Such petition must be received by the commission within fifteen days of service of the summary suspension order.

(2) Within seven days of receipt of a petition for stay, a hearing shall be held before an administrative law judge appointed by the commission pursuant to WAC 230-50-020, or if an administrative law judge is not available during this period, before a commissioner designated by the chairperson. The hearing shall be limited to consideration of whether a stay should be granted, or whether the terms of the suspension may be modified to allow the conduct of limited activities under current licenses or permits.

(3) Any hearing conducted pursuant to subsection (2) of this section shall be conducted under RCW 34.05.485, brief adjudicated proceedings. The agency record for the hearing shall consist of the information upon which the summary suspension was based and may be supplemented by any information obtained by the commission subsequent to the date of the suspension order. The licensee or permittee shall have the burden of demonstrating by clear and convincing evidence that:

(a) The licensee or permittee is likely to prevail upon the merits at hearing;

(b) Without relief, the licensee or permittee will suffer irreparable injury. For purposes of this section, elimination of income from licensed activities shall not be deemed irreparable injury;

(c) The grant of relief will not substantially harm other parties to the proceedings; and

(d) The threat to the public safety or welfare is not sufficiently serious to justify continuation of the suspension, or that modification of the terms of the suspension will adequately protect the public interest.

(4) The initial order on stay shall be effective immediately upon service unless another date is specified in the order.

[Statutory Authority: RCW 9.46.070. 92-19-107 (Order 231), § 230-50-015, filed 9/18/92, effective 10/19/92.]

WAC 230-50-018 Review of orders on stay. (1) The licensee, permittee, or agency may petition the commission for review of an initial order on stay. Petition for review must be in writing and received by the commission within twenty-one days of service of the initial order. If neither party has requested review within twenty-one days of service, the initial order shall be deemed the final order of the commission for purposes of RCW 34.05.467.

(2) If the commission receives a timely petition for review, the commission shall consider the petition at the next regularly scheduled meeting of the commission. Consideration on review shall be limited to the record of the hearing on stay. A commissioner acting as hearing officer pursuant to WAC 230-50-015(2) shall not be disqualified from considering the petition for review of an initial order on stay unless a party demonstrates grounds for disqualification in accordance with RCW 34.05.425.

(3) The order of the commission on the petition for review shall be effective upon service unless another date is specified in the order and is final pursuant to RCW 34.05.467. Final disposition of the petition for stay shall not affect subsequent administrative proceedings for suspension or revocation of a license or permit.

[Statutory Authority: RCW 9.46.070. 92-19-107 (Order 231), § 230-50-018, filed 9/18/92, effective 10/19/92.]

WAC 230-50-020 Adjudicated proceedings—Appointment of administrative law judge. (1) The commission hereby appoints the office of administrative hearings and the administrative law judges to preside at all hearings which result from the commencement of adjudicated proceedings unless the commission, by its own order declares its intent to preside at a specific proceeding or the proceeding is an appeal of an initial order issued by an administrative law judge. The administrative law judge may hereinafter be referred to as the "presiding officer."

(2) All hearings shall be conducted in compliance with these rules, chapters 34.05 RCW and 10-08 WAC as applicable.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-020, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-020, filed 12/19/73.]

WAC 230-50-030 Adjudicated proceedings—Hearings—Interpreter—Timing. Hearings conducted as part of adjudicated proceedings provided for in WAC 230-50-010 shall be initiated as follows:

(1) The chair person of the commission, some member of the commission acting in the absence of the chairperson or the director, shall give written approval to initiate a notice of administrative charges and opportunity for an adjudicated

proceeding. After such approval is granted, the entire commission file and/or record on the licensee shall be forwarded to the assistant attorney general assigned to prosecute at the hearing. The notice shall be served upon the licensee or applicant in accordance with WAC 230-50-010. An application for adjudicated proceeding and request for hearing must be filed with the commission pursuant to WAC 230-50-010.

(2) Upon receipt of an application for adjudicated proceeding and request for hearing form, the director shall issue a notice of hearing. The notice of hearing shall contain all charges upon which the hearing will be conducted, and shall be served on the licensee, applicant, permittee or attorney representing the party at least 7 days prior to the date of the hearing. A copy of the notice of hearing shall be served upon the presiding officer assigned to the proceeding.

(3)(a) All notices of hearing shall be accompanied by a standard statement in at least five common foreign languages, such languages to be those known by the commission staff to be languages used by some licensees, along with forms to request an interpreter to include assistance for hearing impaired persons at the hearing.

(b) Nothing herein contained shall prevent the commission or the director, as authorized by the commission, to temporarily suspend licenses, subject to final action of the commission, as authorized by RCW 9.46.070(1) and WAC 230-50-012.

(4) The presiding officer will be appointed and a notice of hearing issued within 90 days from the date upon which the commission received the application for adjudicated proceeding and request for hearing from the licensee, applicant or permittee, unless all parties agree to an extension of time beyond the 90 days by mutual consent. Any deviation for the 90 day requirement shall be in writing and made a part of the permanent record of the proceeding.

[Statutory Authority: RCW 9.46.070 and chapter 34.05 RCW. 91-03-063 (Order 219), § 230-50-030, filed 1/16/91, effective 2/16/91. Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-030, filed 11/27/89, effective 12/28/89; Order 45, § 230-50-030, filed 12/30/75; Order 42, § 230-50-030, filed 9/18/75; Order 9, § 230-50-030, filed 12/19/73.]

WAC 230-50-060 Adjudicated proceedings—Appearance and practice before the commission—Who may appear. No person may appear in a representative capacity before the Washington state gambling commission, hereinafter referred to as the commission, or its designated administrative law judge other than the following:

(1) Attorneys at law duly qualified and entitled to practice before the supreme court of the state of Washington.

(2) Attorneys at law duly qualified and entitled to practice before the highest court of record of any other state, if the attorneys at law of the state of Washington are permitted to appear in a representative capacity before administrative agencies of such other state, and if not otherwise prohibited by our state law.

(3) A bona fide officer, authorized manager, partner, or full time employee of an individual firm, association, partnership, or corporation who appears for such individual firm, association, partnership or corporation.

(4) An individual representing himself, pro se.

(5) Such interpreters for persons with a limited understanding of the English language or hearing impaired persons as provided for in WAC 10-08-150.

(6) Such other persons as may be permitted by the commission upon a showing by a party to the hearing of such a necessity or such a hardship as would make it unduly burdensome upon him to have a representative as set forth under subsections (1), (2) and (3) above.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-060, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-060, filed 12/19/73.]

WAC 230-50-080 Solicitation of business unethical.

It shall be unethical for persons acting in a representative capacity before the commission to solicit business by circulars, advertisements or by personal communication or interviews not warranted by personal relations: *Provided*, That such representatives may publish or circulate business cards. It is equally unethical to procure business indirectly by solicitors of any kind.

[Order 9, § 230-50-080, filed 12/19/73.]

WAC 230-50-090 Standards of ethical conduct. All persons appearing in proceedings before the commission in a representative capacity shall conform to the standards of ethical conduct required of attorneys before the courts of Washington. If any such person does not conform to such standards, the commission may decline to permit such person to appear in a representative capacity in any proceeding before the commission.

[Order 9, § 230-50-090, filed 12/19/73.]

WAC 230-50-100 Appearance by former employee of commission or former member of attorney general's staff. No former commissioner, employee of the commission or member of the attorney general's staff may at any time within two years after severing his relationship or employment with the commission or the attorney general appear, except with the written permission of the commission, in a representative capacity on behalf of any party in a formal proceeding wherein he previously took an active part on behalf of the commission.

[Order 9, § 230-50-100, filed 12/19/73.]

WAC 230-50-110 Computation of time. In computing any period of time prescribed or allowed by the commission rules, by order of the commission or by an applicable statute, the day of the act, event, or default after which the designated period of time begins to run is not to be included. The last day of the period so computed is to be included, unless it is a Saturday, Sunday or a legal holiday, in which event the period runs until the end of the next day which is neither a Saturday, Sunday nor a holiday. When the period of time prescribed or allowed is less than seven days, intermediate Saturdays, Sundays and holidays shall be excluded in the computation. This section shall not apply to periods of license suspension.

[Order 9, § 230-50-110, filed 12/19/73.]

WAC 230-50-150 Adjudicated proceedings—Notice of hearing—Requirements. All parties that have filed a timely application for adjudicated proceeding shall be served with a notice of hearing at least seven days before the date set for the hearing unless all parties consent to a shorter period. The notice shall state the time, and place of the hearing and all other requirements of RCW 34.05.434(2): *Provided*, That brief adjudicative proceedings, conducted pursuant to WAC 230-50-010(7) and RCW 34.05.485, shall normally be conducted telephonically and the place of the hearing will not be set in the notice of hearing. Either or both parties may request to appear in person and, in such cases, a place will be set and all parties notified.

[Statutory Authority: RCW 9.46.070. 92-19-107 (Order 231), § 230-50-150, filed 9/18/92, effective 10/19/92. Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-150, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-150, filed 12/19/73.]

WAC 230-50-160 Adjudicated proceedings—Service of process—By whom served. The commission shall cause to be served all orders, notices and other documents issued by it, together with any other documents which it is required by law to serve. Every other document shall be served by the party filing it.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-160, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-160, filed 12/19/73.]

WAC 230-50-170 Service of process—Upon whom served. All papers served by either the commission or any party shall be served upon all counsel of record at the time of such filing and upon parties not represented by counsel or upon their agents designated by them or by law. Any counsel entering an appearance subsequent to the initiation of the proceeding shall notify all other counsel then of record and all parties not represented by counsel of such fact.

[Order 9, § 230-50-170, filed 12/19/73.]

WAC 230-50-180 Service of process—Service upon parties. The final order and any other paper required to be served by the commission upon a party, shall be served upon such party or upon the agent designated by him or by law to receive service of such papers, and a copy shall be furnished to counsel of record.

[Order 9, § 230-50-180, filed 12/19/73.]

WAC 230-50-190 Adjudicated proceedings—Service of process—Method of service. Service of all orders, notices and other documents shall be made personally or first class, registered or certified mail, telegraph, or by commercial parcel service company.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-190, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-190, filed 12/19/73.]

WAC 230-50-200 Adjudicated proceedings—Service of process—When service complete. Service of notices and other documents shall be regarded as complete as follows:

(1) By personal service, upon delivery to the person, attorney representing the party, designated agent of the party, any person over the age of 18 residing at the residence of the party or corporate officer.

(2) By mail, upon deposit in the United States mail properly stamped and addressed; service is complete on the third day after mailing, excluding the date of mailing.

(3) By telegraph, upon deposit with a telegraph company, properly addressed and with all charges paid.

(4) By electronic telefacsimile device of confirmation of the transmission and the same day deposit in the United States mail according to section 2 above.

(5) By commercial parcel delivery service, upon delivery to the parcel delivery company, properly addressed and with all charges paid.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-200, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-200, filed 12/19/73.]

WAC 230-50-210 Adjudicated proceedings—Service of process—Filing with agency. Documents required to be filed with the commission shall be deemed filed upon actual receipt of the documents in the headquarters office of the commission accompanied by proof of service upon parties required to be served, or by delivery to any office of the commission during normal business hours and at such time as a member of the staff of the commission is occupying such office so as to personally receive the papers. Delivery of documents to any office of the commission other than the headquarters office when said office is not occupied by a commission staff member who can personally accept the documents shall NOT constitute a lawful service of papers for any matter under the jurisdiction of the gambling commission.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-210, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-210, filed 12/19/73.]

WAC 230-50-225 Adjudicated proceedings—Discovery. The presiding officer of an adjudicated proceeding may issue subpoenas and protective orders as a part of an adjudicated proceeding. The agency may issue subpoenas as may the attorney representing the licensee, applicant or permittee, or the licensee, applicant or permittee may issue subpoenas if they represent themselves. All such subpoenas must be filed with the presiding officer assigned to conduct the hearing, together with proof of proper service, at least 7 days prior to the date of the hearing which they are issued for.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-225, filed 11/27/89, effective 12/28/89.]

WAC 230-50-230 Adjudicated proceedings—Subpoenas, issuance, service, fees, quashing and enforcement. (1) Every subpoena shall state the name of the commission, the title of the proceeding and shall command the person to whom it is directed to attend and give testimony, produce books, records, documents or things under his or her control at a specified time and place.

(2) Subpoenas shall be issued and enforced, and witness fees paid as provided for in RCW 34.05.446.

(a) Subpoenas may be served by any suitable person 18 years of age or older, by exhibiting and reading the subpoena to the witness, or by giving him or her a copy thereof, or by leaving such copy at the place of his or her abode. When service is made by any other person than an officer authorized to serve process, proof of service shall be made by affidavit.

(b) The presiding officer, upon motion made promptly and in any event at or before the time specified in the subpoena for compliance therewith, may:

(i) Quash or modify the subpoena if it is unreasonable and oppressive, or

(ii) Condition denial of the motion upon the advancement by the person in whose behalf the subpoena is issued of the reasonable cost of producing the books, papers, documents, or tangible things.

(c) Upon application, and for good cause shown, the commission will seek judicial enforcement of subpoenas issued to parties and which have not been quashed.

(d) The attendance of witnesses and such production of evidence may be required from any place within the state of Washington to any location where a hearing is being conducted.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-230, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-230, filed 12/19/73.]

WAC 230-50-235 Brief adjudicative proceedings—Discovery limitations. In all brief adjudicative proceedings, discovery requests to the agency shall be limited to requests for production of written reports and supporting documents relevant to the charges. Interrogatories and depositions shall not be allowed.

[Statutory Authority: RCW 9.46.070. 92-19-107 (Order 231), § 230-50-235, filed 9/18/92, effective 10/19/92.]

WAC 230-50-300 Adjudicated proceedings—Depositions and interrogatories—Right to take. Unless otherwise provided, any party may take the testimony of any person, including a party, by deposition upon oral examination or written interrogatories for use as evidence in the proceeding. The deposition of a commissioner, the director, deputy director, or an assistant director may only be taken upon application to the presiding officer, for good cause shown and only in those circumstances where the statements or depositions of other staff members would not reveal the information, evidence or details needed by the party for the case. The attendance of witnesses to a deposition may be compelled by use of a subpoena. Depositions shall be taken only in accordance with this rule and the rules on subpoenas.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-300, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-300, filed 12/19/73.]

WAC 230-50-310 Depositions and interrogatories in contested cases—Scope. Unless otherwise ordered, the deponent may be examined regarding any matter to the same extent permitted by the Washington civil rules for superior court with respect to depositions and interrogatories.

[Order 9, § 230-50-310, filed 12/19/73.]

WAC 230-50-320 Depositions and interrogatories in contested cases—Officer before whom taken. Within the United States or within a territory or insular possession subject to the dominion of the United States depositions shall be taken before an officer authorized to administer oaths by the laws of the state of Washington or of the place where the examination is held; within a foreign country, depositions shall be taken before a secretary of an embassy or legation, consul general, vice consul or consular agent of the United States, or a person designated by the commission or agreed upon by the parties by stipulation in writing filed with the commission. Except by stipulation, no deposition shall be taken before a person who is a party or the privy of a party, or a privy of any counsel of a party, or who is financially interested in the proceeding.

[Order 9, § 230-50-320, filed 12/19/73.]

WAC 230-50-330 Adjudicated proceedings—Depositions and interrogatories—Notice. A party desiring to take the deposition of any person upon oral examination shall give reasonable notice of not less than seven days in writing to the commission and all parties. The notice shall state the time and place for taking the deposition, the name and address of each person to be examined, if known, and if the name is not known, a general description sufficient to identify him or the particular class or group to which he belongs. On motion of a party upon whom the notice is served, the commission or its hearing officer may for cause shown, enlarge or shorten the time. If the parties so stipulate in writing, depositions may be taken before any person, at any time or place, upon any notice, and in any manner and when so taken may be used as other depositions.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-330, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-330, filed 12/19/73.]

WAC 230-50-340 Depositions and interrogatories in contested cases—Protection of parties and deponents. After notice is served for taking a deposition, upon its own motion or upon motion reasonably made by any party or by the person to be examined and upon notice and for good cause shown, the commission or its designated hearing officer may make an order that the deposition shall not be taken, or that it may be taken only at some designated place other than that stated in the notice, or that it may be taken only on written interrogatories, or that certain matters shall not be inquired into, or that the scope of the examination shall be limited to certain matters, or that the examination shall be held with no one present except the parties to the action and their officers or counsel, or that after being sealed, the deposition shall be opened only by order of the commission, or that business secrets or secret processes, developments, or research need not be disclosed, or that the parties shall simultaneously file specified documents or information enclosed in sealed envelopes to be opened as directed by the commission, or the commission may make any other order which justice requires to protect the party or witness from annoyance, embarrassment, or oppression. At any time during the taking of the deposition, on motion of any party or of the deponent and upon a showing that the examination is being conducted in bad faith or in such

manner as unreasonably to annoy, embarrass, or oppress the deponent or party, the commission or its designated hearing officer may order the officer conducting the examination to cease forthwith from taking the deposition or may limit the scope and manner of the taking of the deposition as above provided. If the order made terminates the examination, it shall be resumed thereafter only upon the order of the agency. Upon demand of the objecting party or deponent, the taking of the deposition shall be suspended for the time necessary to make a motion for an order.

[Order 9, § 230-50-340, filed 12/19/73.]

WAC 230-50-350 Depositions and interrogatories in contested cases—Oral examination and cross-examination. Examination and cross-examination shall proceed as at an oral hearing. In lieu of participating in the oral examination, any party served with notice of taking a deposition may transmit written cross interrogatories to the officer, who, without first disclosing them to any person, and after the direct testimony is complete, shall propound them seriatim to the deponent and record or cause the answers to be recorded verbatim.

[Order 9, § 230-50-350, filed 12/19/73.]

WAC 230-50-360 Depositions and interrogatories in contested cases—Recordation. The officer before whom the deposition is to be taken shall put the witness on oath and shall personally or by someone acting under his direction and in his presence, record the testimony by typewriter directly or by transcription from stenographic notes, wire or record recorders, which record shall separately and consecutively number each interrogatory. Objections to the notice, qualifications of the officer taking the deposition, or to the manner of taking it, or to the evidence presented or to the conduct of the officer, or of any party, shall be noted by the officer upon the deposition. All objections by any party not so made are waived.

[Order 9, § 230-50-360, filed 12/19/73.]

WAC 230-50-370 Depositions and interrogatories in contested cases—Signing attestation and return. (1) When the testimony is fully transcribed the deposition shall be submitted to the witness for examination and shall be read to or by him, unless such examination and reading are waived by the witness and by the parties. Any changes in form or substance which the witness desires to make shall be entered upon the deposition by the officer with a statement of the reasons given by the witness for making them. The deposition shall then be signed by the witness, unless the parties by stipulation waive the signing or the witness is ill or cannot be found or refuses to sign. If the deposition is not signed by the witness, the officer shall sign it and state on the record the fact of the waiver or of the illness or absence of the witness or the fact of the refusal to sign together with the reason, if any, given therefor; and the deposition may then be used as fully as though signed, unless, following a motion to suppress, the commission or its hearing officer holds that the reasons given for the refusal to sign require rejection of the deposition in whole or in part.

(2) The officer shall certify on the deposition that the witness was duly sworn by him and that the deposition is a true record of the testimony given by the witness. He shall then securely seal the deposition in an envelope indorsed with the title of proceeding and marked "deposition of (here insert name of witness)" and shall promptly send it by registered or certified mail to the commission, or its designated hearing officer, for filing. The party taking the deposition shall give prompt notice of its filing to all other parties. Upon payment of reasonable charges therefor, the officer shall furnish a copy of the deposition to any party or to the deponent.

[Order 9, § 230-50-370, filed 12/19/73.]

WAC 230-50-380 Depositions and interrogatories in contested cases—Use and effect. Subject to rulings by the commission, a commissioner or a hearing officer upon objections a deposition taken and filed as provided in this rule will not become a part of the record in the proceeding until received in evidence by the hearing officer upon his own motion or the motion of any party. Except by agreement of the parties or ruling of the commission or the hearing officer, a deposition will be received only in its entirety. A party does not make a party, or the privy of a party, or any hostile witness his witness by taking his deposition. Any party may rebut any relevant evidence contained in a deposition whether introduced by him or any other party.

[Order 9, § 230-50-380, filed 12/19/73.]

WAC 230-50-390 Adjudicated proceedings—Depositions and interrogatories—Fees of deponents—Costs of deposition. Deponents whose depositions are taken shall be entitled to the same fees as are allowed by WAC 230-50-230: *Provided*, That all costs incidental thereto shall be paid by the party desiring such deposition.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-390, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-390, filed 12/19/73.]

WAC 230-50-400 Depositions upon interrogatories—Submission of interrogatories. Where the deposition is taken upon written interrogatories, the party offering the testimony shall separately and consecutively number each interrogatory and file and serve them with a notice stating the name and address of the person who is to answer them and the name or descriptive title and address of the officer before whom they are to be taken. Within ten days thereafter a party so served may serve cross-interrogatories upon the party proposing to take the deposition. Within five days thereafter, the latter may serve redirect interrogatories upon the party who served cross-interrogatories. Failure by a licensee to comply shall result in automatic forfeiture of any license issued by the commission.

[Order 9, § 230-50-400, filed 12/19/73.]

WAC 230-50-410 Depositions upon interrogatories—Interrogation. Where the interrogatories are forwarded to an officer authorized to administer oaths as provided in WAC 230-50-320 the officer taking the same after duly

swearing the deponent, shall read to him seriatim, one interrogatory at a time and cause the same and the answer thereto to be recorded before the succeeding interrogatory is asked. No one except the deponent, the officer and the court reporter or stenographer recording and transcribing it shall be present during the interrogation.

[Order 9, § 230-50-410, filed 12/19/73.]

WAC 230-50-420 Depositions upon interrogatories—Attestation and return. The officer before whom interrogatories are verified or answered shall (1) certify under his official signature and seal that the deponent was duly sworn by him, that the interrogatories and answers are a true record of the deponent's testimony, that no one except deponent, the officer and the stenographer were present during the taking, and that neither he nor the stenographer, to his knowledge, is a party, privy to a party, or interested in the event of the proceedings, and (2) promptly send by registered or certified mail the original copy of the deposition and exhibits with his attestation to the commission, or its designated hearing officer, one copy to the counsel who submitted the interrogatories and another copy to the deponent.

[Order 9, § 230-50-420, filed 12/19/73.]

WAC 230-50-500 Official notice—Matters of law. The commission or its hearing officer, upon request made before or during a hearing, or upon its own motion, will officially notice:

(1) **Federal law.** The Constitution; congressional acts, resolutions, records, journals and committee reports, decisions of federal courts and administrative agencies; executive orders and proclamations; and all rules, orders and notices published in the federal register;

(2) **State law.** The Constitution of the state of Washington, acts of the legislature, resolutions, records, journals and committee reports; decisions of administrative agencies of the state of Washington, executive orders and proclamations by the governor; and all rules, orders and notices filed with the code reviser;

(3) **Governmental organization.** Organization, territorial limitations, officers, departments, and general administration of the government of the state of Washington, the United States, the several states and foreign nations;

(4) **Agency organization.** The commission's organization administration, officers, personnel, official publications, and practitioners before its bar.

[Order 9, § 230-50-500, filed 12/19/73.]

WAC 230-50-510 Official notice—Material facts. In the absence of controverting evidence, the commission and its hearing officers, upon request made before or during a hearing, or upon its own motion, may officially notice:

(1) **Agency proceedings.** The pendency of, the issues and position of the parties therein, and the disposition of any proceeding then pending before or theretofore concluded by the commission;

(2) **Business customs.** General customs and practices followed in the transaction of business;

(3) **Notorious facts.** Facts so generally and widely known to all well informed persons as not to be subject to reasonable dispute, or specific facts which are capable of immediate and accurate demonstration by resort to accessible sources of generally accepted authority, including but not exclusively, facts stated in any publication authorized or permitted by law to be made by any federal or state officer, department or agency;

(4) **Technical knowledge.** Matters within the technical knowledge of the commission as a body of experts, within the scope or pertaining to the subject matter of its statutory duties, responsibilities or jurisdiction;

(5) **Request or suggestion.** Any party may request, or the hearing officer or the commission may suggest, that official notice be taken of a material fact, which shall be clearly and precisely stated, orally on the record, at any prehearing conference or oral hearing or argument, or may make such request or suggestion by written notice, any pleading, motion, memorandum, or brief served upon all parties, at any time prior to a final decision;

(6) **Statement.** Where an initial or final decision of the commission rests in whole or in part upon official notice of a material fact, such fact shall be clearly and precisely stated in such decision. In determining whether to take official notice of material facts, the hearing officer or the commission may consult any source of pertinent information, whether or not furnished as it may be, by any party and whether or not admissible under the rules of evidence;

(7) **Controversion.** Any party may controvert a request or a suggestion that official notice of a material fact be taken at the time the same is made if it be made orally, or by a pleading, reply or brief in response to the pleading or brief or notice in which the same is made or suggested. If any decision is stated to rest in whole or in part upon official notice of a material fact which the parties have not had a prior opportunity to controvert, any party may controvert such fact by appropriate exceptions if such notice be taken in an initial or intermediate decision or by a petition for reconsideration if notice of such fact be taken in a final report. Such controversion shall concisely and clearly set forth the sources, authority and other data relied upon to show the existence or nonexistence of the material fact assumed or denied in the decision;

(8) **Evaluation of evidence.** Nothing herein shall be construed to preclude the commission or its authorized agents from utilizing their experience, technical competence, and specialized knowledge in the evaluation of the evidence presented to them.

[Order 9, § 230-50-510, filed 12/19/73.]

WAC 230-50-520 Presumptions. Upon proof of the predicate facts specified in the following six subdivisions hereof without substantial dispute and by direct, clear, and convincing evidence, the commission, with or without prior request or notice, may make the following presumptions, where consistent with all surrounding facts and circumstances:

(1) **Continuity.** That fact of a continuous nature, proved to exist at a particular time, continues to exist as of the date of the presumption, if the fact is one which usually exists for at least that period of time;

(2) **Identity.** That persons and objects of the same name and description are identical;

(3) **Delivery.** Except in a proceeding where the liability of the carrier for nondelivery is involved, that mail matters, billed and delivered respectively to the post office, telegraph, cable or radio company, or authorized common carrier of property with all postage, tolls and charges properly prepaid, is or has been delivered to the addressee or consignee in the ordinary course of business;

(4) **Ordinary course.** That a fact exists or does not exist, upon proof of the existence or nonexistence of another fact which in the ordinary and usual course of affairs, usually and regularly coexists with the fact presumed;

(5) **Acceptance of benefit.** That a person for whom an act is done or to whom a transfer is made has, does or will accept same where it is clearly in his own self-interest so to do;

(6) **Interference with remedy.** That evidence, with respect to a material fact which in bad faith is destroyed, removed, suppressed or withheld by a party in control thereof, would if produced, corroborate the evidence of the adversary party with respect to such fact.

[Order 9, § 230-50-520, filed 12/19/73.]

WAC 230-50-530 Stipulations and admissions of record. The existence or nonexistence of a material fact, as made or agreed in a stipulation or in an admission of record, will be conclusively presumed against any party bound thereby, and no other evidence with respect thereto will be received upon behalf of such party, provided:

(1) **Upon whom binding.** Such a stipulation or admission is binding upon the parties by whom it is made, their privies and upon all other parties to the proceeding who do not expressly and unequivocally deny the existence or nonexistence of the material fact so admitted or stipulated, upon the making thereof, if made on the record at a prehearing conference, oral hearing, oral argument or by a writing filed and served upon all parties within five days after a copy of such stipulation or admission has been served upon them;

(2) **Withdrawal.** Any party bound by a stipulation or admission of record at any time prior to final decision may be permitted to withdraw the same in whole or in part by showing to the satisfaction of the hearing officer or the commission that such stipulation or admission was made inadvertently or under a bona fide mistake of fact contrary to the true fact and that its withdrawal at the time proposed will not unjustly prejudice the rights of other parties to the proceeding.

[Order 9, § 230-50-530, filed 12/19/73.]

WAC 230-50-550 Adjudicated proceedings—Initial or final order. Every decision and order, whether it be an initial or final, shall:

(1) Be correctly captioned as to the name of the agency and name of proceeding;

(2) Designate all parties and counsel to the proceeding;

(3) Include a concise statement of the nature and the background of the proceeding;

(4) Be accompanied by appropriate numbered findings of fact and conclusions of law and a statement from the

presiding officer of the credibility of the witnesses, if the decision rendered is based upon that, all or in part;

(5) Whenever practical, include the reason or reasons for the particular order or remedy afforded. Findings shall be accompanied by a concise and explicit statement of the underlying evidence of record to support the findings;

(6) Whenever practical, be referenced to specific laws or rules and provisions thereof which are appropriate thereto.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-550, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-550, filed 12/19/73.]

WAC 230-50-560 Petition for review of an initial order—Replies to a petition for review, and cross appeals—When an initial order becomes a final order—Time limits and content requirements. Any party to an adjudicative proceeding may file a petition for review of an initial order as follows:

(1) The petition for review shall be filed with the commission within twenty days of the date of service of the initial order unless a different place and time limit for filing the petition are specified in the initial order in its statement describing available procedures for administrative relief. Copies of the petition shall be served upon all other parties or their representatives at the time the petition is filed.

(2) The petition for review shall specify the portions of the initial order to which exception is taken and shall refer to the evidence of record which is relied upon to support the petition.

(3) Any party may file a reply to a petition for review. The reply shall be filed with the office where the petition for review was filed within thirty days of the date of service of the petition and copies of the reply shall be served upon all other parties or their representatives at the time the reply is filed.

(4) Any party may file a cross appeal. Cross appeals must be filed with the commission pursuant to WAC 230-50-210 within ten days of the date the petition for review of the initial order was filed with the commission. Copies of the cross appeal shall be served upon all other parties or their representatives at the time the cross appeal is filed.

(5) The commission shall review the petition at a regularly scheduled meeting within 120 days after the petition was filed and thereafter render a final order in accordance with WAC 10-08-210.

(6) An initial order issued by an administrative law judge or the commission shall become the final order in the proceedings unless a petition for review is filed in accordance with the requirements of this rule.

[Statutory Authority: Chapter 34.05 RCW, RCW 9.46.140 and 9.46.070. 96-09-072, § 230-50-560, filed 4/16/96, effective 7/1/96. Statutory Authority: RCW 9.46.0355 and [9.46.]070(14). 90-13-022, § 230-50-560, filed 6/11/90, effective 7/31/90. Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-560, filed 11/27/89, effective 12/28/89.]

WAC 230-50-562 Final orders—When and how to file a petition for reconsideration of a final order. Any party to an adjudicative proceeding may file a petition for reconsideration of a final order. A petition for reconsideration of a final order under RCW 34.05.470 shall be filed with the commission in accordance with WAC 230-50-210 within ten days of service of a final order. The petition for

reconsideration shall be administered in accordance with RCW 34.05.470.

[Statutory Authority: Chapter 34.05 RCW, RCW 9.46.140 and 9.46.070. 96-09-072, § 230-50-562, filed 4/16/96, effective 7/1/96.]

WAC 230-50-570 Adjudicated proceeding—Stay.

A party may petition the commission or its designee for a stay of a final order in accordance with RCW 34.05.467. For purposes of this rule, the commission hereby delegates to the director, the authority to issue a temporary stay until such time as a reviewing court can rule on a permanent stay. The decision of the director denying a stay is not subject to judicial review.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-570, filed 11/27/89, effective 12/28/89.]

WAC 230-50-580 Adjudicated proceedings—Hearings—Forms. The following formats shall be utilized in all adjudicated proceedings:

(1)

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the (Suspension/
Revocation/ Denial) of the
(License/Application) to Con-
duct Gambling Activities of

NO. _____

Licensee.

NOTICE OF ADMINISTRATIVE
CHARGES AND OPPORTUNITY
FOR AN ADJUDICATED
PROCEEDING

(Director's Name) alleges as follows:

I

He is the Director of the Washington State Gambling Commission and makes these charges in his official capacity.

II

Jurisdiction of this proceeding is based on Chapter 9.46 RCW, Gambling, Chapter 34.05 RCW, the Administrative Procedure Act, and Title 230 WAC.

III

..... has been issued the following license(s) by the Washington State Gambling Commission, which license(s) (was/were) issued subject to compliance by the licensee with state laws and rules of the Commission.

- A. License Number Authorizing Activity
- B. License Number Authorizing Activity
- C. License Number Authorizing Activity

IV

(Attach Recital Of Charges)

(Appropriate Roman Numeral)

The charges specified in paragraphs . . . through . . . above constitute grounds for the . . . day suspension, or revocation of the license(s) held by . . . to conduct authorized gambling activity under authority of RCW 9.46.075 and WAC 230-04-400.

(Appropriate Roman Numeral)

The (licensee/applicant) shall be afforded the opportunity to have an Adjudicated Proceeding, which includes a hearing on the alleged violations. In order to commence an Adjudicative Proceeding, the enclosed APPLICATION FOR ADJUDICATED PROCEEDING AND REQUEST FOR HEARING MUST BE COMPLETED IN FULL by the LICENSEE OR REPRESENTATIVE and returned to the Gambling Commission within 20 days from the date of receipt of this notice. FAILURE TO RETURN THIS DOCUMENT WILL RESULT IN THE ENTRY OF A DEFAULT ORDER PURSUANT TO RCW 34.05.440 AND WAC 230-50-010, THE IMPOSI-

TION OF THE PENALTY SET OUT ABOVE OR ONE OF LESSER DEGREE AND SHALL CONSTITUTE A WAIVER OF ANY FURTHER RIGHTS TO A HEARING OR REVIEW IN THIS MATTER.

STATE OF WASHINGTON }
COUNTY OF THURSTON } ss.

(Director's Name), being first duly sworn on oath, deposes and says: That he has read the foregoing Notice of Administrative Charges and Opportunity for Adjudicated Proceeding, knows the contents thereof, and believes the same to be true, and that he is the Director of the Washington State Gambling Commission and in that capacity has executed said Statement of Charges.

(Director's Name)

SUBSCRIBED AND SWORN TO before me this day of , 19. . .

NOTARY PUBLIC in and for the State of Washington residing at

(2) STATE OF WASHINGTON GAMBLING COMMISSION

In the Matter of the (Suspension/Revocation/Denial) of the (License/Application) to Conduct Authorized Gambling Activities of

(Licensee/Applicant.)

NO. _____

APPLICATION FOR ADJUDICATED PROCEEDING AND REQUEST FOR HEARING

THIS IS AN IMPORTANT NOTICE WHICH DETERMINES WHETHER OR NOT YOU WILL HAVE THE RIGHT TO A HEARING IN THIS MATTER. PLEASE READ THIS NOTICE CAREFULLY. IF YOU HAVE ANY QUESTIONS REGARDING YOUR LEGAL RIGHTS IN THIS MATTER YOU SHOULD CONTACT AN ATTORNEY.

In order to request and preserve your right to a hearing you MUST complete and sign this form, then return it by mail within 20 days to:

The Washington State Gambling Commission
649 Woodland Square Loop, SE
P.O. Box 42400
Olympia, Washington 98504-2400

FAILURE TO COMPLETE AND RETURN THIS FORM AS INSTRUCTED WILL RESULT IN THE ENTRY OF A DEFAULT ORDER AGAINST YOU PURSUANT TO RCW 34.05.440, and WAIVER of your rights to appeal in this matter.

YOU HAVE 20 DAYS FROM THE DATE OF RECEIPT OF THIS FORM TO COMPLETE AND RETURN IT TO THE ADDRESS ABOVE.

BRIEF EXPLANATION OF RIGHTS AND PROCEEDINGS:

You have the right to apply for an ADJUDICATIVE PROCEEDING, which includes a hearing on the allegations set forth in the notice of administrative charges. The hearing will be conducted by a state Administrative Law Judge pursuant to state law and administrative codes. You have the right to be represented by an attorney of your choice and at YOUR OWN EXPENSE.

You have the right to produce witnesses, and evidence relevant to the violations alleged. See WAC 230-50 for additional rights.

You have the right to have an interpreter for the proceedings if you or any witness which you will call is a limited English speaking person OR a hearing impaired person.

In order to request an interpreter, you MUST complete the attached REQUEST FOR INTERPRETER FORM and RETURN IT along with this form to the Gambling Commission. THIS SERVICE IS FREE OF CHARGE.

INSTRUCTIONS - Place a check mark and your signature next to the statement which describes your request(s) in this matter.

Check Mark Signature

- 1) I want to have a hearing in this Adjudicated Proceeding
2) I will be represented by an attorney in this matter, his/her name, address and phone number are as follows:
Name
Address
Phone Number
3) I will NOT be represented by an attorney in this matter.
4) I DO NOT want a HEARING AND WAIVE MY RIGHTS TO A HEARING IN THIS MATTER.

Please indicate those charges, if any, which you admit occurred.

You may attach a letter or a statement of your position in this matter if you choose to do so. Please indicate whether or not you attached either.

I attached a letter or statement . . .
I did NOT attach a letter or statement . . .

A HEARING, if requested, shall be conducted by a state Administrative Law Judge in a location near your place of business or residence, but not necessarily in the city or county in which you do business or reside. You will be notified at least seven (7) days in advance of the proceeding.

If you do not understand any portion of these documents, you are strongly encouraged to contact an attorney.

You MUST complete, sign, date and then mail this document together with the REQUEST FOR INTERPRETER form, to the Washington State Gambling Commission at the address as stated on this form WITHIN 20 days of receipt of these documents. FAILURE TO DO SO WILL RESULT IN A WAIVER OF YOUR RIGHTS TO A HEARING IN THIS MATTER AND ENTRY OF A DEFAULT ORDER PURSUANT TO RCW 34.05.440 AND WAC 230-50-010.

Dated this day of , 19. . .

SIGN HERE
LICENSEE OR REPRESENTATIVE

(3) STATE OF WASHINGTON GAMBLING COMMISSION

In the Matter of the (Suspension/Revocation/Denial) of the (License/Application) to Conduct Authorized Gambling Activities of

(Licensee/Applicant)

NO. _____

APPLICATION FOR AN ADJUDICATED PROCEEDING AND REQUEST FOR HEARING WITH OFFER OF SETTLEMENT

THIS IS AN IMPORTANT NOTICE WHICH DETERMINES WHETHER OR NOT YOU WILL HAVE THE RIGHT TO A HEARING IN THIS MATTER. PLEASE READ THIS NOTICE CAREFULLY. IF YOU HAVE ANY QUESTIONS REGARDING YOUR LEGAL RIGHTS IN THIS MATTER YOU SHOULD CONTACT AN ATTORNEY.

In order to request and preserve your right to a hearing you MUST complete and sign this form, then return it by mail within 20 days to:

The Washington State Gambling Commission
649 Woodland Square Loop, SE
P.O. Box 42400
Olympia, Washington 98504-2400

FAILURE TO COMPLETE AND RETURN THIS FORM AS INSTRUCTED WILL RESULT IN THE ENTRY OF A DEFAULT ORDER AGAINST YOU PURSUANT TO RCW 34.05.440, and WAIVER of your rights to appeal in this matter.

YOU HAVE 20 DAYS FROM THE DATE OF RECEIPT OF THIS FORM TO COMPLETE AND RETURN IT TO THE ADDRESS ABOVE.

BRIEF EXPLANATION OF RIGHTS AND PROCEEDINGS:

You have the right to apply for an ADJUDICATIVE PROCEEDING which includes a hearing on the allegations set forth in the notice of administrative charges.

You have the right to produce witnesses, and evidence relevant to the violations alleged. See WAC 230-50 for additional rights.

You have the right to have an interpreter for the proceedings if you or any witness which you will call is a limited English speaking person OR a hearing impaired person.

In order to request an interpreter, you MUST complete the attached REQUEST FOR INTERPRETER FORM and RETURN IT along with this form to the Gambling Commission. THIS SERVICE IS FREE OF CHARGE.

INSTRUCTIONS - Place a check mark and your signature next to the statement which describes your request(s) in this matter.

- Check Mark Signature
1) I WANT TO HAVE A HEARING IN THIS ADJUDICATED PROCEEDING
2) I will be represented by an attorney in this matter, his/her name, address and phone number are as follows: Name Address Phone Number
3) I will NOT be represented by an attorney in this matter.
4) I DO NOT want a HEARING AND WAIVE MY RIGHTS TO A HEARING IN THIS MATTER.
5) I will agree to a stipulated settlement as stated on Page 3 and have signed the order on page 4.

Please indicate those charges, if any, which you admit occurred.

You may attach a letter or a statement of your position in this matter if you choose to do so. Please indicate whether or not you attached either.

I attached a letter or statement . . .
I did NOT attach a letter or statement . . .

A hearing, if requested, shall be conducted by a state Administrative Law Judge in a location near your place of business or residence, but not necessarily in the city or county in which you do business or reside.

If you do not understand any portion of these documents, you are strongly encouraged to contact an attorney.

You MUST complete, sign, date and then mail this document together with the REQUEST FOR INTERPRETER form, to the Washington State Gambling Commission at the address as stated on this form WITHIN 20 days of receipt of these documents.

Dated this . . . day of . . . , 19 . . .

SIGN HERE
LICENSEE OR REPRESENTATIVE

I will agree to a stipulated settlement in this matter and the entry of the attached order on the following terms:

- A suspension of . . . days for my . . . gambling license(s).
A fine of . . . in lieu of the . . . day suspension of my . . . gambling license(s).

The order finds that the violation(s) were in fact committed.

The dates for the suspension or fine will be as stated in the order. (Insert name of commission staff member) of the staff of the Commission can be contacted regarding changing the dates for the suspension and/or payment of the fine before the order is signed.

The dates of the suspension as set are no more than 90 calendar days from the date of mailing of this form to you and the fine is due PRIOR to the dates of the suspension.

By signing as indicated I agree to this settlement.

SIGN HERE
LICENSEE OR REPRESENTATIVE

DATE

YOU MUST ALSO SIGN THE ORDER ON PAGE FOUR WHERE INDICATED.

(4)

STATE OF WASHINGTON GAMBLING COMMISSION

An Adjudicated Proceeding in the matter of the Suspension or Revocation of the license(s) to conduct Gambling Activities of:

NO. STIPULATED SETTLEMENT FROM WRITTEN PRE HEARING OFFER

Licensee

I

The licensee named hereon stipulates that the charges as set forth in the statement of charges attached hereto occurred and agrees to entry of a finding as such and conclusion of law or the violations.

II

That (Licensee's Name) has been issued (a) license(s) to conduct gambling activity(ies), as follows:

License Number Authorizing (Insert License #) (Type of Activity) (Insert License #) (Type of Activity) (Insert License #) (Type of Activity)

III

That the following is entered as the Final Order on these charges.

That the license(s) of (Licensee's Name) to conduct (Type of activity) activity(ies) is hereby suspended for a term of () days commencing (date suspension to start) and running through and including (date suspension will end). Provided further, that in lieu of said suspension the licensee may pay a fine of (\$ amount) on or before (Date).

Signed and dated this . . . day of . . . , 19 . . .

(Name) Administrative Law Judge

(Licensee) or representative

, Chair (Asst. Attorney General) Approved by Commission

(5)

STATE OF WASHINGTON
GAMBLING COMMISSION

An Adjudicated Proceeding In the
Matter of the (Suspension/Revo-
cation/Denial) of the (License/
Application) to Conduct Autho-
rized Gambling Activities of

(Licensee/Applicant).

NO. _____
NOTICE OF HEARING

I

(ATTACH RECITAL OF CHARGES)

II

That the licensee(s) (was/were) previously notified of the administrative charges pending and (has/have) made a timely application for adjudicated proceeding and request for hearing. Based upon that request, a hearing will be conducted by, Administrative Law Judge of, phone number, on all charges as stated pursuant to WAC 230-50-010.

III

That the agency will be represented at the hearing by, Assistant Attorney General of, phone number The licensee will be represented by of, phone number

IV

That the hearing is set for at the hour of, in the city of at The hearing is being conducted under the authority of chapter 9.46 RCW and amend-ments thereto, and will be conducted pursuant to chapter 34.05 RCW and 230-50 WAC. Should the licensee and representatives fail to appear at the hearing as scheduled a default order pursuant to RCW 34.05.440 will be entered.

The proceeding will determine whether a suspension/revocation/or denial should be imposed.

.....
(Director's Name)

(6)

STATE OF WASHINGTON
GAMBLING COMMISSION

An Adjudicated Proceeding In the
Matter of the (Suspension/Revo-
cation/Denial) of the (License/
Application) to Conduct Gambling
Activities of:

Licensee.

NO. _____
REQUEST FOR INTERPRETER
AND/OR TRANSLATION OF
DOCUMENTS

I,, being a party in this proceeding hereby state that I am a limited English speaking person or hearing impaired person or that I will be calling a witness who is a limited English speaking or hearing impaired person and that (I/they) require an interpreter as indicated below:

(Check all items that apply and fill in the blank spaces.)

- I will require an interpreter for the language.
- I will require an interpreter for a hearing impairment.
- I will be calling a limited English speaking witness who will require an interpreter in the language.
- I will be calling a hearing impaired person who will require an interpreter.
- I request all documents in this proceeding be translated into the language.

Signed:
Dated:

(7)

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Summary
Suspension of the License to
Operate Gambling Activities of:

(Licensee's Name) Licensee.

NO. _____
FINDINGS, CONCLUSIONS, AND
ORDER OF SUMMARY SUSPENSION
OF LICENSES

Pursuant to RCW 34.05.422(4), the Commission may summarily suspend a license pending proceedings for revocation or other action. The Commis-sion has authorized the Director to summarily suspend a license pursuant to WAC 230-50-012. This matter then having been brought before the Director for a summary disposition pursuant to this authority on (date), and the Director acting pursuant to this authority has issued this order and caused it to be served upon the licensee. The order contained herein shall be deemed effective immediately upon its service to the licensee, authorized representative, or agent thereof, unless otherwise specified herein. By this authority, an authorized agent of the Commission shall under the terms hereof seize all current licenses authorizing gambling activity and all such gambling activity shall cease as ordered herein.

FINDINGS OF FACT

I

That (director's name) is the Director of the Washington State Gambling Commission and issues this order in that capacity.

II

That (licensee's name) has been issued (a) license(s) to operate the following authorized gambling activity(ies):

- License Number 211- Authorizing Activity
- License Number 211- Authorizing Activity
- License Number 211- Authorizing Activity

Which license(s) (was/were) issued subject to compliance with all of the applicable statutes and regulations governing gambling activities.

III

After a thorough review of the affidavit(s) of the special agent(s) of the Commission concerning the facts in this matter, which are attached hereto and labelled as Attachment(s) (list), the Director accepts (this/these) as a verity and makes the determination that the action as ordered herein is warranted.

IV

(State charge)
That the violation(s) as stated require the immediate cessation of the gambling activity in that the safety and welfare of the public is affected as follows:
(State reason(s) affected from WAC 230-50-012 (2)(a) through (k), as applicable)

CONCLUSIONS OF LAW

I

Based on the foregoing Findings of Fact, the Director, (director's name), makes the following CONCLUSIONS:

II

(select from WAC 230-50-012 (2)(a) through (k), as applicable)

III

That the circumstances as set forth in paragraph(s) through above constitute grounds for the suspension or revocation of the license(s) issued by the Washington State Gambling Commission under RCW 9.46.075 and WAC 230-04-400, and further constitute an immediate danger to the public safety and welfare.

IV

Immediate cessation of the licensed or permitted activities by the licensee or permittee is necessary for the protection or preservation of the welfare of the community within which these activities are being conducted.

V

(Director's Name), Director, has the authority pursuant to WAC 230-50-012 to issue the following ORDER:

ORDER

Based upon the foregoing FINDINGS OF FACT AND CONCLUSIONS, it is the ORDER of the undersigned Director, pursuant to authority granted to him by RCW 34.05.422 and WAC 230-50-012, that the license of (licensee's name) to operate (type(s) of activity) within the state of Washington is hereby suspended pending a formal hearing by an Administrative Law Judge or the Commission for suspension or revocation of said license, said suspension or revocation to be effective (immediately) (as of (date), at (time)).

STATEMENT OF RIGHTS

(1) You have a right to a prompt hearing on this matter. You may request a hearing by completing and returning to the Commission the enclosed Application for Adjudicated Proceeding and Request for Hearing. Failure to submit the Application for Adjudicated Proceeding and Request for Hearing form within twenty (20) days of service of this order upon you shall result in a waiver of your right to an adjudicated proceeding and entry of an order in default under RCW 34.05.440. If a timely application for a hearing is received, a hearing shall be conducted not sooner than seven (7) days nor later than 90 days from the date of service of this Order unless otherwise agreed to by the parties: Provided, That you may waive the seven (7) day notice rule of WAC 230-50-030(2) and request a hearing at an earlier date.

(2) You have a right to petition for a stay of this order. You may request a stay by filing a written request with the Commission. Any request for a stay must be received by the Commission within fifteen (15) days of service of this order upon you. If a timely request for a stay is received by the Commission, a hearing regarding a request for stay will be conducted in accordance with WAC 230-50-015. A request for a stay does not constitute a request for a hearing as provided in paragraph (1) of this Statement of Rights.

Dated this day of, 199. . .

(Director's Name)
Director

STATE OF WASHINGTON
COUNTY OF THURSTON

ss.

(Director's Name), being first duly sworn on oath, deposes and says: That he has read the foregoing Order of Summary Suspension of License and Notice of Hearing, knows the contents thereof, and believes the same to be true, and that he is the duly appointed and qualified Director of the Washington State Gambling Commission and in that capacity has executed said Order of Summary Suspension of the License and Notice of Hearing.

(Director's Name)
Director

SUBSCRIBED AND SWORN TO before me this day of, 199. . .

NOTARY PUBLIC in and for the State of Washington
residing at

[Statutory Authority: RCW 9.46.070. 92-21-056 (Order 233), § 230-50-580, filed 10/19/92, effective 11/19/92. Statutory Authority: RCW 9.46.0355 and [9.46.]070(14). 90-13-022, § 230-50-580, filed 6/11/90, effective 7/31/90. Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-580, filed 11/27/89, effective 12/28/89.]

WAC 230-50-610 Adjudicated proceedings settlement conferences and prehearing conferences. In any proceeding the commission or its designated presiding officer upon its or his own motion, or upon the motion of one of the parties or their qualified representatives, may in its or his discretion direct the parties or their qualified representatives

to appear at a specified time and place for a conference to consider:

- (1) The simplification of the issues;
(2) The necessity of amendments to the pleadings;
(3) The possibility of obtaining stipulations, admissions of facts and of documents;
(4) The limitation of the number of expert witnesses;
(5) Such other matters as may aid in the disposition of the proceeding.
(6) Discussion of a settlement of the matter and/or agreement on a penalty. If a settlement or a stipulation is reached, it must be in a written order to be signed by all parties and the presiding officer. This settlement conference may be conducted between a member of the commission staff and the licensee, applicant or permittee by phone or in person without the attendance of the administrative law judge or assistant attorney general, or by the assistant attorney general representing the commission without the attendance of a commission staff member and the administrative law judge, as long as any agreed settlement is formalized as stated above.
(7) If a settlement conference is held, the results of the conference must be in writing to indicate the action taken at the conference.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-610, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-610, filed 12/19/73.]

WAC 230-50-630 Submission of documentary evidence in advance. When requested for cause the commission or its designated hearing officer may require:

- (1) That all documentary evidence which is to be offered during the taking of evidence be submitted to the hearing officer and to the other parties to the proceeding sufficiently in advance of such taking of evidence to permit study and preparation of cross-examination and rebuttal evidence;
(2) That documentary evidence not submitted in advance, as may be required by subsection (1), be not received in evidence in the absence of a clear showing that the offering party had good cause for his failure to produce the evidence sooner;
(3) That the authenticity of all documents submitted in advance in a proceeding in which such submission is required, be deemed admitted unless written objection thereto is filed prior to the hearing, except that a party will be permitted to challenge such authenticity at a later time upon a clear showing of good cause for failure to have filed such written objection.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-630, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-630, filed 12/19/73.]

WAC 230-50-640 Excerpts from documentary evidence. When portions only of a document are to be relied upon, the offering party shall prepare the pertinent excerpts, adequately identified, and shall supply copies of such excerpts, together with a statement indicating the purpose for which such materials will be offered, to the hearing officer and to the other parties. Only the excerpts, so prepared and submitted, shall be received in the record.

However, the whole of the original document shall be made available for examination and for use by all parties to the proceeding.

[Order 9, § 230-50-640, filed 12/19/73.]

WAC 230-50-650 Expert or opinion testimony and testimony based on economic and statistical data—Number and qualifications of witnesses. The commission or hearing officer or other appropriate officer in all classes of cases where practicable shall make an effort to have the interested parties agree upon the witness or witnesses who are to give expert or opinion testimony, either by selecting one or more to speak for all parties or by limiting the number for each party; and, if the interested parties cannot agree, require them to submit to him and to the other parties written statements containing the names, addresses and qualifications of their respective opinion or expert witnesses, by a date determined by him and fixed sufficiently in advance of the hearing to permit the other interested parties to investigate such qualifications.

[Order 9, § 230-50-650, filed 12/19/73.]

WAC 230-50-660 Expert or opinion testimony and testimony based on economic and statistical data—Written sworn statements. The commission, the hearing officer or other appropriate officer, in all classes of cases in which it is practicable and permissible, shall require, and when not so permissible, shall make every effort to bring about by voluntary submission, that all direct opinion or expert testimony and all direct testimony based on economic or statistical data be reduced to written sworn statements, and, together with the exhibits upon which based, be submitted to it or him and to the other parties to the proceeding by a date determined by the hearing officer and fixed a reasonable time in advance of the hearing; and that such sworn statements be acceptable as evidence upon formal offer at the hearing, subject to objection on any ground except that such sworn statements shall not be subject to challenge because the testimony is not presented orally, and provided that witnesses making such statements shall not be subject to cross examination unless a request is made sufficiently in advance of the hearing to insure the presence of the witnesses.

[Order 9, § 230-50-660, filed 12/19/73.]

WAC 230-50-670 Expert or opinion testimony and testimony based on economic and statistical data—Supporting data. The hearing officer or other appropriate officer, in his discretion but consistent with the rights of the parties, shall cause the parties to make available for inspection in advance of the hearing, and for purposes of cross examination at the hearing, the data underlying statements and exhibits submitted in accordance with WAC 230-50-660, but, wherever practicable he shall restrict to a minimum the placing of such data in the record.

[Order 9, § 230-50-670, filed 12/19/73.]

WAC 230-50-680 Expert or opinion testimony and testimony based on economic and statistical data—Effect of noncompliance with WAC 230-50-650 or 230-50-660.

[Title 230 WAC—page 136]

Whenever the manner of introduction of opinion or expert testimony or testimony based on economic or statistical data is governed by requirements fixed under the provisions of WAC 230-50-650 or 230-50-660, such testimony not submitted in accordance with the relevant requirements shall not be received in evidence in the absence of a clear showing that the offering party had good cause for his failure to conform to such requirements.

[Order 9, § 230-50-680, filed 12/19/73.]

WAC 230-50-700 Continuances. Any party who desires a continuance shall, immediately upon receipt of notice of a hearing, or as soon thereafter as facts requiring such continuance come to his knowledge, notify the commission or its designated hearing officer of said desire, stating in detail the reasons why such continuance is necessary. The commission or its designated hearing officer, in passing upon a request for continuance, shall consider whether such request was promptly and timely made. For good cause shown, the commission or its designated hearing officer may grant such a continuance and may at any time order a continuance upon its or his own motion. During a hearing, if it appears in the public interest or in the interest of justice that further testimony or argument should be received, the commission, hearing officer or other officer conducting the hearing may in his discretion continue the hearing and fix the date for introduction of additional evidence or presentation of argument. Such oral notice shall constitute final notice of such continued hearing.

[Order 9, § 230-50-700, filed 12/19/73.]

WAC 230-50-750 Rules of evidence—Admissibility criteria. Subject to the other provisions of these rules, all relevant evidence is admissible which, in the opinion of the commission or the officer conducting the hearing, is the best evidence reasonably obtainable, having due regard for its necessity, availability and trustworthiness. In passing upon the admissibility of evidence, the commission or the officer conducting the hearing shall give consideration to, but shall not be bound to follow, the rules of evidence governing civil proceedings, in matters not involving trial by jury in the superior courts of the state of Washington.

[Order 9, § 230-50-750, filed 12/19/73.]

WAC 230-50-760 Rules of evidence—Tentative admission—Exclusion—Discontinuance—Objections. When objection is made to the admissibility of evidence, such evidence may be received subject to a later ruling. The commission or the officer conducting the hearing may, in its or his discretion, either with or without objection, exclude inadmissible evidence or order cumulative evidence discontinued. Parties objecting to the introduction of evidence shall state the precise grounds of such objection at the time such evidence is offered.

[Order 9, § 230-50-760, filed 12/19/73.]

WAC 230-50-800 Petitions for rule making, amendments, or repeal. Any person may petition the commission requesting the adoption, amendment, or repeal of any rule.

The petition should contain sufficient information so that the agency and public can understand the proposal. **Every petition for adoption, repeal, or amendment of a rule must include the following information:**

(1) The name of the agency responsible for administering the rule; and

(2) The rationale for adoption of a new rule or amendment or repeal of an existing rule.

(3) In addition to any other concerns, you, the petitioner, are encouraged to address whether:

(a) The rule is authorized;

(b) The rule is needed;

(c) The rule conflicts with or duplicates other federal, state, or local laws;

(d) Alternatives to the rule exist that will serve the same purpose at less cost;

(e) The rule applies differently to public and private entities;

(f) The rule serves the purposes for which it was adopted;

(g) The rule imposes unreasonable costs;

(h) The rule is clearly and simply stated; and

(i) The rule differs, without adequate justification, from a federal law which applies to the same activity or subject matter.

(4) **When you are:**

(a) **Proposing a new rule**, the petition should include the text of the proposed rule or a description of its provisions;

(b) **Requesting amendment of an existing rule**, the petition should include the name, title, number of the rule, and the text or description of the amendment; or

(c) **Requesting repeal of an existing rule**, the petition should include the name, title, number of the rule, and a description of the effects of repealing the rule.

(5) You, the petitioner, can obtain a standard petition from the office of financial management or any state agency involved in rule making. Agencies must accept petitions submitted using the standard form or in any other format that provides the information described in subsections (1) through (4) of this section.

(6) **How do I submit a petition?**

(a) Petitions for adoption, amendment, or repeal of a rule must be faxed to (360) 438-8652, or mailed to the following address:

Washington State Gambling Commission
ATTN: Rules Coordinator
PO Box 42400
Olympia, WA 98504-2400

(b) Submission of a petition is defined as receipt of the petition by the gambling commission.

(7) **What happens after a petition is submitted?**

(a) Within a reasonable time, the administering agency will send you, the petitioner, acknowledgement of receipt of the petition, including the name and telephone number of a contact person.

(b) No later than sixty days after receipt of a petition, the agency must either:

(i) Initiate rule-making proceedings in accordance with chapter 34.05 RCW; or

(ii) Deny the petition in writing, stating its reasons for the denial and specifically addressing the concerns stated in the petition. Where appropriate, the agency must indicate alternative means by which the agency will address the concerns raised in the petition.

(8) **How can I appeal gambling commission denial of my petition?**

(a) Within thirty days of the denial, you, the petitioner, may appeal the denial to the governor.

(b) The governor will process the appeal according to RCW 34.05.330(2).

[Statutory Authority: RCW 9.46.070 and chapter 34.05 RCW. 96-13-068 (Order 294), § 230-50-800, filed 6/18/96, effective 7/19/96. Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-800, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-800, filed 12/19/73.]

WAC 230-50-815 Deadlines for submitting items to be included in the commission meeting agenda—Exceptions. To ensure that the public and the commission has sufficient notice of public agenda items, the following deadline applies regarding submission of such items to the commission for action:

(1) Items for inclusion in the commission's monthly public meeting agenda must be in proper form and received at the commission headquarters' office at least fourteen days prior to the regularly scheduled commission meeting.

(2) The commission meeting agenda will be published and mailed within seven days of the regularly scheduled commission meeting.

(3) All items submitted after the time frame set forth in section one (1) above shall require approval by the commission in order to be included on the commission meeting agenda.

[Statutory Authority: Chapter 34.05 RCW and RCW 9.46.070. 96-21-073 (Order 301), § 230-50-815, filed 10/15/96, effective 1/1/97.]

WAC 230-50-850 Declaratory order. (1) Any person may petition the commission for a declaratory order with respect to the applicability to specified circumstances of a rule, order, or statute enforceable by the agency. The petitioner shall set forth facts and reasons on which the petitioner relies to show:

(a) That uncertainty necessitating resolution exists;

(b) That there is actual controversy arising from the uncertainty such that a declaratory order will not be merely an advisory option;

(c) That the uncertainty adversely affects the petitioner;

(d) That the adverse effect of uncertainty on the petitioner outweighs any adverse effects on others or on the general public that may likely arise from the order requested.

(2) Within fifteen days after receipt of a petition for a declaratory order, the commission shall give notice of the petition to all persons to whom notice is required by law, and may give notice to any other person it deems desirable.

(3) Within thirty days after receipt of a petition for a declaratory order the commission, in writing, shall do one of the following:

(a) Enter an order declaring the applicability of the statute, rule, or order in question to the specified circumstances;

(b) Set the matter for specified proceedings to be held no more than ninety days after receipt of the petition and give reasonable notification to the person(s) of the time and place for such hearing and of the issues involved;

(c) Set a specified time no more than ninety days after receipt of the petition by which it will enter a declaratory order; or

(d) Decline to enter a declaratory order, stating the reasons for its action.

(4) The time limits of subsection (3)(b) and (c) of this section may be extended by the commission for good cause.

(5) The commission may not enter a declaratory order that would substantially prejudice the rights of a person who would be a necessary party and who does not consent in writing to the determination of the matter by a declaratory order proceeding.

(6) A declaratory order has the same status as any other order entered by the commission in an adjudicative proceeding. Each declaratory order shall contain the names of all parties to the proceeding on which it is based, the particular facts on which it is based, and the reasons for its conclusions.

(7) Any person petitioning the commission for a declaratory order pursuant to RCW 34.05.240, shall generally adhere to the following form for such purpose.

(a) At the top of the page shall appear the wording "before the Washington state gambling commission." On the left side of the page below the foregoing the following caption shall be set out: "In the matter of the petition of (name of petitioning party) for a declaratory order." Opposite the foregoing caption shall appear the word "petition."

(b) The body of the petition shall be set out in numbered paragraphs. The first paragraph shall state the name and address of the petitioning party. The second paragraph shall state all rules or statutes that may be brought into issue by the petition. Succeeding paragraphs shall set out the state of facts relied upon in form similar to that applicable to complaints in civil actions before the superior courts of this state. The concluding paragraphs shall contain the prayer of the petitioner. The petition shall be subscribed and verified in the manner prescribed for verification of complaints in the superior courts of this state.

(c) The original and two legible copies shall be filed with the commission. Petitions shall be on white paper, either 8-1/2" X 11" or 8-1/2" X 13" in size.

[Statutory Authority: Chapter 34.05 RCW. 89-24-003 (Order 200), § 230-50-850, filed 11/27/89, effective 12/28/89; Order 9, § 230-50-850, filed 12/19/73.]

Chapter 230-60 WAC

PUBLIC RECORDS—DISCLOSURE

WAC

230-60-005	Purpose.
230-60-010	Definitions.
230-60-025	Public records available—Location—Time available.
230-60-030	Public records officers.
230-60-035	Office hours.
230-60-040	Requests for public records.
230-60-045	Copying.
230-60-050	Exemptions.
230-60-055	Review of denials of public records requests.
230-60-060	Protection of public records.

230-60-065	Records index.
230-60-100	Interpretive and policy statements.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

230-60-015	Description of central and field organization of the gambling commission. [Statutory Authority: RCW 9.46.070 (7), (13) and (18). 85-07-031 (Order 148), § 230-60-015, filed 3/15/85. Statutory Authority: RCW 42.17.250. 81-11-039 (Order 108), § 230-60-015, filed 5/19/81. Statutory Authority: RCW 42.17.250 and 42.17.260. 79-07-019 (Order 90), § 230-60-015, filed 6/14/79; Order 75, § 230-60-015, filed 9/16/77.] Repealed by 89-24-003 (Order 200), filed 11/27/89, effective 12/28/89. Statutory Authority: Chapter 34.05 RCW.
230-60-020	Operations and procedures. [Statutory Authority: RCW 42.17.250. 81-01-063 (Order 104), § 230-60-020, filed 12/15/80; Order 75, § 230-60-020, filed 9/16/77.] Repealed by 90-03-064 (Order 203), filed 1/18/90, effective 2/18/90. Statutory Authority: Chapter 34.05 RCW.
230-60-070	Communications with commission. [Statutory Authority: RCW 42.17.250. 81-11-039 (Order 108), § 230-60-070, filed 5/19/81; Order 75, § 230-60-070, filed 9/16/77.] Repealed by 83-19-024 (Order 136), filed 9/13/83. Statutory Authority: RCW 9.46.030 (2) and (3) and 9.46.070 (11) and (14).

WAC 230-60-005 Purpose. The purpose of this chapter shall be to ensure compliance by the Washington state gambling commission with the provisions of chapter 1, Laws of 1973 (Initiative 276), sections 25-32, RCW 42.17.250-42.17.320, dealing with public records.

[Order 75, § 230-60-005, filed 9/16/77.]

WAC 230-60-010 Definitions. (1) The following definitions and all definitions set forth in RCW 42.17.020 shall apply to this chapter:

(2) "Raw data" means facts, symbols, or observations which have all of the following characteristics:

- (a) They have not been processed, edited or interpreted.
- (b) They are unevaluated and unorganized.
- (c) The fact, symbol, or observation does not, of itself, impart meaning to a potential user or fulfill a recognized need.

(d) To be useable the fact, symbol, or observation must go through some transformation process.

(3) "Information" means raw data that are organized, evaluative and interpreted to impart meaning to potential users and fulfill a recognized need.

(4) "Listing (list)" means a series of items of any kind including names, words or numbers no matter what the arrangement or purpose. When applied to the release of commission record information it means the names of two or more individuals contained in:

- Data processing magnetic tapes
- Data processing print-outs 1, 2, 3, or 4 part utility paper or copies of such print-outs
- Data processing print-outs in the form of labels
- Any form of writing.

(5) "Tabulation" means the systematic arrangement of facts, statistics, and similar information, except the names of individuals, in column or table format.

(6) "Individual" means a natural person.

(7) "Commercial purpose" means the using of information obtained, or intending to use the information obtained,

to contact or in some way personally affect an individual identified on the list when the purpose of the contact would be to facilitate that person's (the requestor's) profit expecting business activity.

[Statutory Authority: Chapter 34.05 RCW. 90-03-064 (Order 203), § 230-60-010, filed 1/18/90, effective 2/18/90. Statutory Authority: RCW 42.17.250. 81-01-063 (Order 104), § 230-60-010, filed 12/15/80; Order 75, § 230-60-010, filed 9/16/77.]

WAC 230-60-025 Public records available—Location—Time available. All public records of the commission are deemed to be available for public inspection and copying pursuant to these rules, except as otherwise provided by chapter 42.17 RCW, and WAC 230-60-050. The records available, their location, and the times they are available for inspection as follows:

(1) Public records - The following are deemed public records:

(a) The license application form and all supplemental information submitted at the commission's request: Provided, that statements regarding arrest or conviction records of persons are not public records and will not be disclosed;

(b) All activity reports and attachments required to be submitted to the commission on a periodic basis;

(c) All completed administrative proceedings; and

(d) All opinions and interpretive statements;

(e) All policies and procedures: *Provided*, That investigative procedures that, when disclosed, would hinder the commission's ability to conduct inspections, audits, or other investigative procedures will not be disclosed.

(2) Location of public records - All public records of the commission are located at the administrative office in Lacey.

(3) Times public records are available - All public records are available during normal office hours as set out in WAC 230-02-030: *Provided*, That public records may not be available during the period 12:00 noon to 1:00 p.m. unless a prior written request is made.

[Statutory Authority: Chapter 34.05 RCW. 90-03-064 (Order 203), § 230-60-025, filed 1/18/90, effective 2/18/90; Order 75, § 230-60-025, filed 9/16/77.]

WAC 230-60-030 Public records officers. The commission's public records shall be in the charge of the public records officers as designated by the director. The persons so designated shall be located in the main administrative offices of the commission. The public records officers shall be responsible for the following: The implementation of the commission's rules and regulations regarding release of public records, coordinating the staff of the commission in this regard, maintaining, keeping current, and publishing an index of all agency records as required by RCW 42.17.260 and WAC 230-60-065, and generally insuring compliance by the staff with the public records disclosure requirements of chapter 42.17 RCW.

[Order 75, § 230-60-030, filed 9/16/77.]

WAC 230-60-035 Office hours. Public records shall be available for inspection and copying during the customary office hours of the commission. For the purposes of this chapter, the customary office hours shall be from 8:00 a.m.

to noon and from 1:00 p.m. to 5:00 p.m., Monday through Friday, excluding legal holidays.

[Order 75, § 230-60-035, filed 9/16/77.]

WAC 230-60-040 Requests for public records. In accordance with requirements of chapter 42.17 RCW that agencies prevent unreasonable invasions of privacy, protect public records from damage or disorganization, and prevent excessive interference with essential functions of the agency, public records may be inspected or copied, or copies of such records may be obtained, by members of the public upon compliance with the following procedures:

(1) A request shall be made in writing upon a form prescribed by the commission which shall be available at its administrative office. The form shall be presented to any member of the commission staff designated by the responsible public records officer to receive requests, at the administrative office of the commission during customary office hours or by mail. The request shall include the following information:

(a) The name of the person requesting the record.

(b) The time of day and calendar date on which the request was made.

(c) The nature of the request.

(d) A reference to the requested record as it is described in the current commission record index.

Note: If the material is not identifiable by reference to the commission's current index, an accurate description of the record is requested.

(e) The signature and other identifying information of the requestor.

(2) In all cases in which a member of the public is making a request, it shall be the obligation of the staff member to whom the request is made to assist the member of the public in appropriately identifying the public record requested.

(3) Persons not specifically authorized by law to obtain lists of names of individuals from public records will be required to complete a statement agreeing not to release or use the information for commercial purposes.

[Order 75, § 230-60-040, filed 9/16/77.]

WAC 230-60-045 Copying. A fee, determined by actual cost for time and services rendered, for inspection of public records, may be charged. The commission shall charge a fee in the amount necessary to reimburse the commission for its actual costs incidental to providing copies of public records, except as noted in the following schedule of fees: *Provided, however*, That at the discretion of the director, or his designee, governmental agencies may be excluded from the payment of the fee for such service. The schedule of charges is:

ITEM

FEE

Copy of license application, supporting documents, correspondence, minutes of commission meetings, licenses approval list, list of commission licensees, reports required to be filed by the licensees on a periodic basis concerning

the operation of licensed activity, commission legislative reports, and other similar material

\$.25 cents per page for first 10 pages, \$.10 cents per page for any pages thereafter

Application for license(s) and/or supporting forms

No fee

Letter of certification to accompany copy of record or document. (Governmental agencies - no fee)

\$2.00

Specially produced listing, magnetic tapes, or labels

Cost of services, including overhead

Record look up

No charge for requests taking five minutes or less, actual cost including overhead, for single requests or a combination of multiple requests taking longer than five minutes to complete

Postal charges

Actual cost

[Statutory Authority: RCW 42.17.290, 42.17.300 and 9.46.070(14). 82-13-070 (Order 122), § 230-60-045, filed 6/17/82. Statutory Authority: RCW 42.17.300. 79-11-074 (Order 93), § 230-60-045, filed 10/19/79; Order 75, § 230-60-045, filed 9/16/77.]

WAC 230-60-050 Exemptions. (1) The commission will not release for public inspection or copying any public record it has determined to be exempt under the provisions of chapter 42.17 RCW.

(2) In addition, pursuant to RCW 42.17.260, the commission will delete identifying details when it makes available or publishes any public record to the extent required to prevent an unreasonable invasion of personal privacy, protected by chapter 42.17 RCW. The public records officer shall set out his reasons for such deletion in writing.

(3) All denials of requests for public records must be accompanied by a written statement specifying the reason for the denial, including a statement of the specific exemption authorizing the withholding of the record and a brief explanation of how the exemption applies to the record withheld.

[Order 75, § 230-60-050, filed 9/16/77.]

WAC 230-60-055 Review of denials of public records requests. (1) Upon any denial of a request for a public record, the public records officer or staff member who

denied the record shall initiate a prompt review of the decision by referring the request and denial to the director or his designee. The director or his designee shall immediately consider the matter and either affirm or reverse such denial or call a specific meeting of the commission, or appropriate staff, as soon as legally possible to review the denial. In any case, the request shall be returned with a final decision as soon as possible following the original denial.

(2) Administrative remedies shall not be considered exhausted until the commission has returned the review of a denial with a decision or until the close of the second business day following denial of inspection, whichever occurs first.

[Order 75, § 230-60-055, filed 9/16/77.]

WAC 230-60-060 Protection of public records. The commission is both a law enforcement and regulatory agency and a licensing agency. The records consist mainly of operational or investigative files that are subject to high usage. In order to insure that essential functions of the agency are continually carried out, and the public records are not damaged, altered, disorganized, or lost, access to the record storage areas is restricted. Public records will be inspected in the administrative offices in which they are filed and maintained. Inspection shall be in the presence of the authorized commission staff employee. Inspection shall be denied and the records will be withdrawn if the individual inspecting the records is doing so in a manner to damage, alter, or substantially disorganize them. Inspection shall be denied and records withdrawn if the individual inspecting the records attempts to remove them from the prescribed location or is excessively interfering or will unduly interfere with other essential functions of the commission.

[Order 75, § 230-60-060, filed 9/16/77.]

WAC 230-60-065 Records index. (1) Pursuant to RCW 42.17.260 the commission shall maintain a system of indexing for the dissemination of public records. The system shall be updated on a quarterly basis and be available at commission headquarters. The system will allow for the identification and location of the following records:

(a) All records issued before July 1, 1990, for which the agency has maintained an index;

(b) Final orders entered after June 30, 1990, that are issued in adjudicative proceedings as defined in RCW 34.05.010(1) and that contain an analysis or decision of substantial importance to the agency in carrying out of its duties;

(c) Declaratory orders entered after June 30, 1990, that are issued pursuant to RCW 34.05.240 and that contain an analysis or decision of substantial importance to the agency in carrying out its duties;

(d) Interpretive statements as defined in RCW 34.05.010(14) that were entered after June 30, 1990; and

(e) Policy statements as defined in RCW 34.05.010(14) that were entered after June 30, 1990.

[Statutory Authority: RCW 9.46.070 and chapter 34.05 RCW. 90-21-053, § 230-60-065, filed 10/15/90, effective 11/15/90; Order 75, § 230-60-065, filed 9/16/77.]

WAC 230-60-100 Interpretive and policy statements. (1) The commission shall prepare interpretive or policy statements to advise the public of the commission's current opinions, approaches and likely course of action. These statements shall be prepared when it is not feasible or practicable to adopt rules.

(2) Persons interested in obtaining copies of interpretive or policy statements shall write to the director requesting they receive copies of all statements issued by the agency.

(3) The commission shall prepare a roster of persons who have requested copies of interpretive or policy statements. Whenever a interpretive or policy statement is issued the commission shall send a copy of the statement to each person listed on the roster. The roster shall be updated annually and eliminate those persons who do not indicate a desire to continue on the roster.

(4) Persons requesting the interpretive or policy statements shall pay for the mailing costs and the following cost per sheet of paper:

- (a) \$.25 per page for the first ten pages;
- (b) \$.10 per page for any pages thereafter.

[Statutory Authority: RCW 34.05.220(4), [34.05].230 and 9.46.070 (11) and (14). 90-05-032 (Order 205), § 230-60-100, filed 2/14/90, effective 3/17/90.]