

Chapter 230-16 WAC

MANUFACTURER, DISTRIBUTOR, AND GAMBLING SERVICE SUPPLIER RULES

WAC

GENERAL RULES FOR MANUFACTURERS, DISTRIBUTORS, AND GAMBLING SERVICE SUPPLIERS

- 230-16-001 Manufacturers, distributors, and gambling service suppliers must ensure representatives are licensed.
- 230-16-005 Transporting, displaying, and selling gambling equipment at trade shows and conventions.

PUNCH BOARD AND PULL-TAB REQUIREMENTS

- 230-16-010 Manufacturers, distributors, and gambling service suppliers must comply with punch board and pull-tab rules.
- 230-16-015 Punch board and pull-tab sales restrictions.
- 230-16-020 Sales to Indian tribes.
- 230-16-025 Punch board construction.
- 230-16-030 Step up punch board construction.
- 230-16-035 Pull-tab construction.
- 230-16-040 Winner protection and secondary verification codes.
- 230-16-045 Defective punch boards, pull-tabs, or pull-tab dispensers.
- 230-16-050 Punch board and pull-tab quality control program.
- 230-16-052 Standards for flares.
- 230-16-055 Bonus or step up flares.
- 230-16-060 Assembly and packaging of pull-tab series.

PROGRESSIVE JACKPOT PULL-TAB SERIES

- 230-16-065 Approvals needed before offering progressive jackpot pull-tab series.
- 230-16-070 Prizes in progressive jackpot pull-tab series.
- 230-16-075 Assembly and packaging of progressive pull-tab series.

EVENT PULL-TAB SERIES

- 230-16-080 Event pull-tab series.

BONUS PULL-TAB SERIES

- 230-16-085 Bonus pull-tab series with carry-over jackpots.

CARRY-OVER JACKPOTS

- 230-16-090 Secondary win codes for carry-over jackpots.
- 230-16-095 Prizes in carry-over jackpot pull-tab series.

SEAL CARD PULL-TAB SERIES

- 230-16-100 Seal card pull-tab series.
- 230-16-102 Cumulative prize pool pull-tab games.
- 230-16-104 Cumulative prize pool pull-tab series flare.

BINGO CARDS

- 230-16-105 Disposable bingo cards.
- 230-16-110 Duplicate bingo cards.
- 230-16-120 Bingo card manufacturing control system.
- 230-16-125 Disposable bingo card packing slip and package label.
- 230-16-130 Disposable bingo card sales.
- 230-16-135 "Player selection" bingo cards.
- 230-16-140 "Hidden face" bingo cards.
- 230-16-145 Electronically generated bingo card computer systems.
- 230-16-150 Control system for electronically generated bingo cards.

ELECTRONIC CARD FACSIMILES

- 230-16-155 Electronic card facsimiles.

I.D. STAMPS

- 230-16-160 I.D. stamps for gambling equipment.
- 230-16-165 Purchasing I.D. stamps.
- 230-16-170 I.D. stamps must be visible.
- 230-16-175 Placing I.D. stamps and records entry labels.
- 230-16-180 Record retention for I.D. stamp records.

(11/20/09)

RECORDKEEPING

- 230-16-185 Accounting records for manufacturers and distributors.
- 230-16-190 Sales invoices for manufacturers and distributors.
- 230-16-195 Additional requirements for sales invoices.
- 230-16-200 Sales journals for manufacturers and distributors.
- 230-16-205 Record retention for manufacturers and distributors.
- 230-16-210 Alternative formats for recordkeeping.
- 230-16-215 Accounting records and record retention for gambling service suppliers.
- 230-16-220 Activity reports by manufacturers and distributors.

GENERAL RULES FOR MANUFACTURERS, DISTRIBUTORS, AND GAMBLING SERVICE SUPPLIERS

WAC 230-16-001 Manufacturers, distributors, and gambling service suppliers must ensure representatives are licensed. (1) A licensed manufacturer, distributor, or gambling service supplier must not allow an unlicensed person to sell, promote, or provide its gambling equipment, or supplies, or to supervise those who do, and must take all measures necessary to prevent an unlicensed person from doing so.

(2) A licensed manufacturer must notify us in writing before a manufacturer representative begins representing them.

[Statutory Authority: RCW 9.46.070. 09-24-012 (Order 664), § 230-16-001, filed 11/20/09, effective 12/21/09; 07-19-069 (Order 615), § 230-16-001, filed 9/17/07, effective 1/1/08.]

WAC 230-16-005 Transporting, displaying, and selling gambling equipment at trade shows and conventions. Licensed manufacturers and distributors selling gambling equipment authorized by state or federal law may transport, display, and accept orders for the sale or lease of their products at trade shows and conventions as long as:

(1) They notify us in writing of the nature, date, and location ten days before the trade show or convention; and

(2) Their target audience of the trade show or convention are operators of authorized gambling activities in Washington; and

(3) They deliver all gambling equipment purchased or leased at the trade show or convention to the operator's authorized location.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-005, filed 9/17/07, effective 1/1/08.]

PUNCH BOARD AND PULL-TAB REQUIREMENTS

WAC 230-16-010 Manufacturers, distributors, and gambling service suppliers must comply with punch board and pull-tab rules. Manufacturers, distributors, and gambling service suppliers and their representatives must

[Ch. 230-16 WAC—p. 1]

comply with WAC 230-14-030, 230-14-080, and 230-14-085.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-010, filed 9/17/07, effective 1/1/08.]

WAC 230-16-015 Punch board and pull-tab sales restrictions. (1) Manufacturers, distributors, and manufacturer and distributor representatives must sell or distribute punch boards, pull-tabs, pull-tab dispensers, or related equipment only to other distributor, distributor representative, or punch board and pull-tab licensees.

(2) Distributor and distributor representatives must buy punch boards, pull-tabs, pull-tab dispensers, or related equipment only from other licensed manufacturer, distributor, or distributor representatives.

(3) Manufacturers must not sell any punch board or pull-tab series unless the winning punches or pull-tabs are randomly distributed and mixed among all other punches or pull-tabs in that board or series.

(4) Manufacturers, distributors, and manufacturer and distributor representatives must not make sales promotion statements, demonstrations, or implications that imply:

(a) One portion of a pull-tab series contains more winners than other portions; or

(b) Operators can sell pull-tabs in some manner that would give the operator an advantage in selling more pull-tabs before having to pay out winners.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-16-015, filed 1/14/08, effective 2/14/08; 07-19-069 (Order 615), § 230-16-015, filed 9/17/07, effective 1/1/08.]

WAC 230-16-020 Sales to Indian tribes. Licensed manufacturers, distributors, and gambling service suppliers may sell to Indian tribes operating Class II activities that are legal under federal law.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-020, filed 9/17/07, effective 1/1/08.]

WAC 230-16-025 Punch board construction. Manufacturers must design, construct, and manufacture punch boards to eliminate any patterns between punch boards or portions of punch boards from which someone could determine the location or approximate location of winning punches.

(1) Manufacturers must randomly distribute and mix winning punches among all other punches in the punch board. To ensure no patterns exist, manufacturers must:

(a) Mix the form or permanent number sheets before cutting; and

(b) Thoroughly mix all strips after the strips have been crimped and before inserting them into the punch boards; and

(c) When filling punch boards, change the process for filling each separate set to prevent any pattern between sets of punch boards; and

(d) Include no more than eight punch boards from one set of boards in any case shipped to Washington.

(2) Manufacturers must make serial numbers on punch boards nonsequential to ensure no pattern exists which would allow someone to track the boards through serial numbers.

[Ch. 230-16 WAC—p. 2]

(3) Manufacturers must:

(a) Guarantee that all numbers or symbols listed as winners on the flare are present in the board; and

(b) Seal all punch boards to prevent anyone from using any method, including light or markings, to discover the number or symbol on a punch before punching it out of the board; and

(c) Not allow punch boards with taped sides, corners, or edges.

(4) Manufacturers may place stickers on the back of the punch boards naming additional numbers or symbols they guarantee to be in the board. The additional numbers or symbols must not exceed five percent of the total punches in the board, unless the manufacturer receives written permission from us.

(5) Punch boards are exempt from secondary verification code requirements.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-025, filed 9/17/07, effective 1/1/08.]

WAC 230-16-030 Step up punch board construction. Manufacturers of step up boards must:

(1) Completely seal all cards, strips, or punches to prevent winner identification before the punch is removed from the board; and

(2) Thoroughly mix all cards, strips, or punches that contain the winners to ensure that no pattern of winners exists; and

(3) Have at least twenty-five different face sheets for use on boards with seals covering the winners; and

(4) Randomly distribute face sheets during the manufacturing process.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-030, filed 9/17/07, effective 1/1/08.]

WAC 230-16-035 Pull-tab construction. Manufacturers must:

(1) File their label or trademark with us before printing pull-tabs; and

(2) Construct, glue, seal, or band pull-tabs to prevent the discovery of the winning numbers, symbols, or set of symbols, or game protection before the pull-tab is dispensed or opened by use of:

(a) Markings; or

(b) Difference in size; or

(c) Paper fiber; or

(d) Color; or

(e) Printing; or

(f) Any other method; and

(3) Construct all pull-tabs so that, when offered for sale to the public, they are virtually opaque and free of security defects detectable by:

(a) High intensity lights; or

(b) Peeking; or

(c) Any other method; and

(4) Construct all pull-tabs, except banded and latex covered pull-tabs, using a two or three ply paper stock construction; and

(5) Make winning and losing sheets for each game using the same paper stock; and

(6) For all progressive pull-tab series, make winning and losing sheets for each game using the same paper stock at the same time as the series; and

(7) Conspicuously print the series number and their name, label, or trademark on the pull-tab so both are readily visible before opening the pull-tab; and

(8) Perforate or clean-cut the openings centered over the symbols or numbers to allow players to easily open pull-tabs while preventing pull-tabs from opening prematurely in normal handling. Perforate on both horizontal lines of the opening and either perforate or clean-cut the vertical or elliptical line where players grasp the tab for opening after bending the edge of a ticket down. Manufacturers may include information to show players how to open the pull-tab or remove the latex to determine the symbols or numbers; and

(9) Not repeat series numbers used on that same manufacturer's form number within a three-year period.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-035, filed 9/17/07, effective 1/1/08.]

WAC 230-16-040 Winner protection and secondary verification codes. (1) Each manufacturer must create methods of winner protection for each punch board and pull-tab series, except spindle-type pull-tab series. This protection must allow operators, us, and other law enforcement personnel to distinguish opened winning pull-tabs from nonwinning, altered, or forged pull-tabs, or pull-tabs from another series. Manufacturers must:

(a) Establish a primary winner protection for each pull-tab series; and

(b) Use special numbers, colors, designs, ink, or any combination of these to create the primary winner protection; and

(c) Completely hide the protection from view and ensure it is undetectable before players open the pull-tabs; and

(d) Provide a written explanation of each winner protection method to us. The written explanation must include details and pictures, diagrams, or samples necessary to thoroughly explain the method; and

(e) Notify us in writing of any changes to protection schemes; and

(f) Use winner protection to identify winning pull-tabs after they have been purchased and opened and distinguish them from nonwinning pull-tabs.

(2) Pull-tabs that award prizes greater than twenty dollars must use a secondary verification code to prevent counterfeiting. We must approve all secondary verification methods before manufacturers use them within the state.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-040, filed 9/17/07, effective 1/1/08.]

WAC 230-16-045 Defective punch boards, pull-tabs, or pull-tab dispensers. (1) If we determine that punch boards, pull-tabs, or pull-tab dispensers do not meet our requirements, the director may order manufacturer(s) to recall all defective products and all similarly constructed or printed products.

(2) If the director orders a recall, we immediately notify the manufacturer of the:

(a) Product to be recalled; and

(b) Reason for the recall; and

(c) Effective date of the recall; and

(d) Any other specific requirements.

(3) We follow verbal notice with a written notification.

(4) Immediately upon receiving oral notification, manufacturers must cease shipping affected product in the state and initiate actions to ensure complete compliance with the recall.

(5) Manufacturers must notify all distributors within seventy-two hours of:

(a) The items recalled; and

(b) The effective date of recall; and

(c) The arrangement for the prompt return of the defective items.

(6) Once they've been notified, distributors must immediately stop sales and delivery of the product. We notify each licensed distributor, in writing, of:

(a) The recall; and

(b) The effective dates; and

(c) The products involved; and

(d) Any special instructions.

(7) Before any reintroduction of any recalled or similar item, the manufacturer must first submit the revised or reworked item to us for review, evaluation, and approval. We notify the manufacturer, in writing, of the approval or disapproval.

(8) The manufacturer must send a copy of the approval letter to distributors with the next five shipments of the reworked item.

(9) Manufacturers must reimburse distributors the actual cost the distributor paid for each punch board, pull-tab series, or pull-tab dispenser the director orders recalled. Manufacturers of recalled punch boards, pull-tab series, or pull-tab dispensers must compensate distributors for time and expenses incurred during a recall. Compensation must not exceed fifty cents per punch board or pull-tab series the distributor actually returned to the manufacturer or twenty-five dollars per pull-tab dispenser.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-045, filed 9/17/07, effective 1/1/08.]

WAC 230-16-050 Punch board and pull-tab quality control program. To ensure the integrity of punch boards and pull-tab series, we maintain a quality control program. This program includes a level of inspection and evaluation we deem necessary to ensure punch boards and pull-tabs meet the standards of chapter 9.46 RCW and Title 230 WAC. Manufacturers must pay for administering this program. The program includes at least:

(1) **Special inspections** - We may select any punch board or pull-tab series to examine in any manner for quality or integrity, including punching out or pulling all chances remaining on the board or series. Manufacturers must reimburse distributors or operators for unused games we select for quality control testing purposes. We determine the reimbursement process. We may bill manufacturers for the cost of quality control investigations which exceed forty hours of our staff time.

(2) **Defective punch boards or pull-tab series** - When a punch board or pull-tab series is defective, operators must:

(a) Remove the board or series from play and notify us.

We complete a quality control report which operators must

use to return the board or series to the distributor or manufacturer; and

(b) Return punch boards or pull-tab series which have been opened, prepared for play, or placed out for play to the manufacturer or distributor; and

(c) Return defective or recalled boards or series which are unopened to the distributor or manufacturer without a quality control report.

(3) Credits or reimbursements for defective punch boards or pull-tab series:

(a) Manufacturers must reimburse distributors or operators for the cost of a replacement board or series which are returned under subsection (2) of this section; and

(b) Manufacturers may, at their discretion, reimburse operators for only actual net losses resulting from the play of a board or series because of its defect; and

(c) For credits and reimbursements for defective punch boards or pull-tab series, manufacturers or distributors:

(i) Must properly record all boards or series returned on a credit memo. WAC 230-16-190 explains requirements for credit memos; and

(ii) May reimburse operators for actual net losses. Manufacturers must keep adequate supporting documentation for all reimbursements.

(4) Our fees to recover costs for defective punch boards or pull-tab series - We may assess a fee for each defective punch board or pull-tab series sold to operators for which we complete a quality control report. We do not assess this fee beyond the fifth series of a particular form number with the same defect.

[Statutory Authority: RCW 9.46.070, 07-19-069 (Order 615), § 230-16-050, filed 9/17/07, effective 1/1/08.]

WAC 230-16-052 Standards for flares. Flares must clearly display the:

(1) Manufacturer of the punch board or pull-tab series. A stamp, seal or label identifying the manufacturer may be substituted if we have been informed; and

(2) Manufacturer assigned series number; and

(3) I.D. stamp; and

(4) Cost of each punch or pull-tab; and

(5) Total number of punches or pull-tabs in the series. For any newly designed flare or any previously designed flare for pull-tab series with a ticket count over six thousand, which has not yet been packaged, the number of pull-tabs must be printed in one-half inch size lettering; and

(6) Prizes available and the winning number or symbols. For prizes over twenty dollars, the winning numbers or symbols must be printed so each can be permanently and conspicuously deleted off the flare as each prize is won.

(a) A progressive jackpot meter board, for progressive jackpot series, is a supplement to the flare; and

(b) For cumulative prize pool pull-tab games, the seal card prizes from the cumulative prize pool board are not required to be printed on the series flares.

[Statutory Authority: RCW 9.46.070, 09-17-077 (Order 657), § 230-16-052, filed 8/14/09, effective 1/1/10; 08-03-062 (Order 623), § 230-16-052, filed 1/14/08, effective 2/14/08.]

WAC 230-16-055 Bonus or step up flares. In addition to other flare requirements, manufacturers of step up punch board and bonus pull-tab flares must:

(1) Develop and use at least twenty-five randomly distributed versions of flares for each form number of a bonus series; and

(2) Construct flares which contain prizes determined after players receive the corresponding winning chance so that it is impossible to determine the prizes before removing the prize covering; and

(3) Label the middle or advance level with "Advance Section" in at least one-quarter inch lettering; and

(4) Label the top tier level with "Bonus Section" in at least one-quarter inch lettering; and

(5) Clearly state on the flare the number of winners which could be awarded in the top tier level in at least three-eighths inch lettering. In addition, clearly display the number of winners and the number of advances in each advance level; and

(6) Clearly display all prizes for each advance and bonus level so that only the winners within the possible combinations are shown. Where applicable, use the word "OR" to show the possible combinations for winning the bonus prizes; and

(7) Not show duplicate references to prizes on the flare.

[Statutory Authority: RCW 9.46.070, 07-19-069 (Order 615), § 230-16-055, filed 9/17/07, effective 1/1/08.]

WAC 230-16-060 Assembly and packaging of pull-tab series. When assembling and packaging a pull-tab series, manufacturers must:

(1) Place each pull-tab series in one packaging container, unless the number of tickets in the series exceeds 10,000. For pull-tab series that contain more than 10,000 tickets, manufacturers may package the pull-tab series in more than one container if they:

(a) Seal all containers with a sticker or seal and shrink wrap them; and

(b) Identically label each container with a referencing system that identifies at least:

(i) The series number; and

(ii) The total boxes per series; and

(iii) The I.D. stamp numbers; and

(c) Mark the cases to identify the contents during shipping, including:

(i) The series number; and

(ii) The total cases per set; and

(d) Package and ship each box or case together; and

(e) Package the packing slip and flare with one box of the series; and

(f) Ensure that no case, package, box or container shall be marked to make it distinguishable from any other case, package, box or container within the series; and

(2) Not assemble the winning and losing pull-tabs in a way that would allow prize manipulation; and

(3) Mix pull-tabs before placing them in their final container to ensure pull-tabs are separated from their original collated row position and dispersed among all rows in the container; and

(4) Place a packing slip inside the container with the name of manufacturer, series number, date of packaging, and

the name or identification of the person who packaged the series. Manufacturers may print this information on the flare or the outside of the container. Manufacturers must have this information readily available if we request it; and

(5) Print on the outside of the container a message stating that operators must remove the pull-tabs from the container and thoroughly mix them before putting them out for play. Manufacturers must:

(a) Print the information on:

(i) A crack-and-peel sticker and place it on the outside of the packaging container; or

(ii) A packing slip placed inside the container; or

(b) Request our approval to exempt packages of jar tickets from this requirement.

[Statutory Authority: RCW 9.46.070. 08-03-053 (Order 622), § 230-16-060, filed 1/11/08, effective 2/11/08; 07-19-069 (Order 615), § 230-16-060, filed 9/17/07, effective 1/1/08.]

PROGRESSIVE JACKPOT PULL-TAB SERIES

WAC 230-16-065 Approvals needed before offering progressive jackpot pull-tab series. (1) For progressive jackpot series, the director approves:

(a) All gambling equipment for use in the series; and

(b) The process used to manufacture the series; and

(c) The secondary win code.

(2) Gambling related software must, at least:

(a) Prevent all persons other than the manufacturer representative from changing data once it is entered; and

(b) Retain in memory a record of transactions for a game until the operator totals, prints, and clears the transactions, even if the unit's primary power source is disrupted.

(3) Those requesting approval must pay all costs related to our review.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-065, filed 9/17/07, effective 1/1/08.]

WAC 230-16-070 Prizes in progressive jackpot pull-tab series. Prizes for progressive jackpot pull-tab series must meet the following requirements:

(1) Manufacturers must determine the starting jackpot prize and corresponding jackpot accrual rate needed to meet the sixty percent payout requirement. Manufacturers must include this information in the package with each series; and

(2) The minimum jackpot accrual rate must generate an accrued jackpot prize of at least sixty percent of the total gross gambling receipts available from the series when added to the starting jackpot prize and instant winners; and

(3) Instant winners must be at least forty percent of total gross gambling receipts available from the series; and

(4) The starting jackpot must, at least, equal the value of the highest instant winner; and

(5) Maximum contribution to a progressive jackpot for each individual progressive pull-tab series must be five thousand dollars. The contribution amount specifically excludes portions carried over from previous series.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-070, filed 9/17/07, effective 1/1/08.]

(11/20/09)

WAC 230-16-075 Assembly and packaging of progressive pull-tab series. (1) Manufacturers must include the packing slip and flare with the first box of a series.

(2) Manufacturers may package progressive jackpot pull-tab series in more than one container if they:

(a) Shrink wrap all boxes and seal them with a manufacturer sticker or seal; and

(b) Identically label each box with a referencing system that identifies, at least:

(i) Series number; and

(ii) Individual box and total boxes per series (for example, "seven of nine"); and

(iii) I.D. stamp numbers; and

(c) Mark cases to identify the contents during shipping, including:

(i) Series number; and

(ii) Case reference and total cases per set; and

(d) Package and ship each box or case together.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-075, filed 9/17/07, effective 1/1/08.]

EVENT PULL-TAB SERIES

WAC 230-16-080 Event pull-tab series. (1) Manufacturers must ensure that event pull-tab series meet all standards of construction for other pull-tab series; and

(2) Manufacturers must ensure the flare for event pull-tab series meets requirements for flares and substitute flares and explain:

(a) The number of chances available to advance to the event round; and

(b) How the event round winner is determined; and

(c) The number of instant winner pull-tabs, if available; and

(d) The number of winning event round pull-tabs at each level.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-080, filed 9/17/07, effective 1/1/08.]

BONUS PULL-TAB SERIES

WAC 230-16-085 Bonus pull-tab series with carry-over jackpots. Bonus pull-tab series with carry-over jackpots must:

(1) Have not less than one winner out of ten, so the chance of winning the carry-over jackpot is ten percent or higher; and

(2) Have only one advance level on the flare; and

(3) Have at least one guaranteed chance to win the carry-over jackpot; and

(4) Have all chances included on the flare covered to prevent determining the concealed numbers or symbols before the player opens the chance. If perforated windows are used, manufacturers must cover the numbers or symbols with latex, foil, or other approved means; and

(5) Meet all standards for bonus pull-tab flares.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-085, filed 9/17/07, effective 1/1/08.]

[Ch. 230-16 WAC—p. 5]

CARRY-OVER JACKPOTS

WAC 230-16-090 Secondary win codes for carry-over jackpots. Manufacturers must ensure that secondary win codes on pull-tab series with carry-over jackpots are not repeated within any three-year period.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-090, filed 9/17/07, effective 1/1/08.]

WAC 230-16-095 Prizes in carry-over jackpot pull-tab series. Manufacturers must:

- (1) Determine the contribution amount and the method of play and disclose both on the flare; and
- (2) Ensure guaranteed prizes are sixty percent or more of gross receipts available from the pull-tab series. "Guaranteed prizes" means all prizes available, excluding the contribution amount or carry-over jackpot; and
- (3) Ensure the contribution amount for each series does not exceed five hundred dollars. "Contribution amount" means the amount from each series that is added to the carry-over jackpot.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-095, filed 9/17/07, effective 1/1/08.]

SEAL CARD PULL-TAB SERIES

WAC 230-16-100 Seal card pull-tab series. (1) Manufacturers of seal card pull-tab series must meet all standards of pull-tab construction, including the seals on the flare; and

- (2) The seal card pull-tab series must include forms to attach to the pull-tabs. The forms must list enough information to contact the winners of the seal card round; and
- (3) Manufacturers must meet all requirements for flares and substitute flares. The flare may include up to two seals. The second seal may be offered as an additional prize, not as an alternative to the original seal prize; and
- (4) The flare must clearly state:
 - (a) The number of tabs available to advance to the seal card round; and
 - (b) How the seal card round winner is determined; and
 - (c) The number of instant winner tabs; and
 - (d) The number of winning seal card round tabs; and
 - (5) If using perforated windows for the seal on the flare, manufacturers must cover the numbers or symbols to prevent detection of the winner before opening.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-100, filed 9/17/07, effective 1/1/08.]

WAC 230-16-102 Cumulative prize pool pull-tab games. (1) Manufacturers of cumulative prize pool pull-tab games must meet all standards of pull-tab construction, including the seals on the board; and

- (2) A cumulative prize pool pull-tab game board must include at a minimum:
 - (a) All seal card prizes; and
 - (b) Manufacturer's name or logo; and
 - (c) Each cumulative prize pool pull-tab series number; and
 - (d) Form number; and
 - (e) Cost per play; and

[Ch. 230-16 WAC—p. 6]

(f) Game name; and

(3) A cumulative prize pool pull-tab game board must have the same number of seals as the number of series in the game.

[Statutory Authority: RCW 9.46.070. 09-17-077 (Order 657), § 230-16-102, filed 8/14/09, effective 1/1/10.]

WAC 230-16-104 Cumulative prize pool pull-tab series flare. A cumulative prize pool pull-tab series flare must meet the requirements of WAC 230-16-052 and include at a minimum:

- (1) A perforated window or seal; and
- (2) A list for players to write their name on for the chance to open a seal on the cumulative prize pool pull-tab board.

[Statutory Authority: RCW 9.46.070. 09-17-077 (Order 657), § 230-16-104, filed 8/14/09, effective 1/1/10.]

BINGO CARDS

WAC 230-16-105 Disposable bingo cards. (1) Manufacturers of disposable bingo cards must:

- (a) Create quality control methods to ensure manufacturing processes, including collating of bingo cards into packets, meet our requirements; and
- (b) Document these methods; and
- (c) Provide the documentation to us on request.
- (2) Manufacturers must collate packets of cards so that each page:
 - (a) Is from a different set of cards; and
 - (b) Has consistent skips throughout the entire collation; and
 - (c) Contains cards that are different when compared to other cards in the packet; and
 - (d) Has a different color or border pattern.
- (3) Manufacturers must prepare and make available a master verification system for each type or product line of bingo cards they make to provide operators and us the ability to verify winning cards. Master verification systems must:
 - (a) Provide a facsimile of each card within a set of cards by the card number; and
 - (b) Display the exact numbers and the location or configuration of numbers or symbols on the card.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-105, filed 9/17/07, effective 1/1/08.]

WAC 230-16-110 Duplicate bingo cards. (1) We prohibit duplicate cards within a specific product line. Manufacturers must:

- (a) Imprint each card in a specific product line with a unique set of numbers and unique configurations of numbers; and
- (b) Ensure that there are no duplicate cards in a set or collation sold to distributors or operators.
- (2) Manufacturers may collate duplicate cards into packets if they:
 - (a) Locate the duplicates at different page levels in the packets; and
 - (b) Indicate to the buyer that they intend those cards for use only during separate games within a session, including "on-the-way" games.

(3) If manufacturers discover duplicate cards, or we or another licensee notify them of duplicate cards, they must immediately:

- (a) Stop marketing the product line containing duplicate cards; and
- (b) Recall all sets and collations of packets or books containing duplicate cards at the same page level; and
- (c) Take steps to correct manufacturing or collating processes to ensure they do not sell duplicate cards to operators, and inform us in writing about the steps taken; and
- (4) When we validate claims, manufacturers must reimburse:

(a) Operators who submit claims for prizes paid because of duplicate cards; and

(b) Us for all of our costs incurred investigating duplicate card complaints.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-110, filed 9/17/07, effective 1/1/08.]

WAC 230-16-120 Bingo card manufacturing control system. (1) In each set of bingo cards, manufacturers must include a control system that:

(a) Identifies each card by a card number printed on the face of the card. However, we exempt "player selection" game cards from this requirement; and

(b) Consecutively numbers each sheet of cards within a set. However, if manufacturers have alternative controls and they disclose those to operators, they do not have to number the sheets; and

(c) Assigns each set of cards manufactured as a specific product line, using the same color and border pattern, and a unique serial number. Manufacturers must print the serial number on each card; and

(d) Identifies that specific set and each specific card within that set; and

(e) Tracks the transfer of cards from the point of manufacture to operators; and

(f) Facilitates sale by the operator to the player.

(2) We approve all new control systems.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-120, filed 9/17/07, effective 1/1/08.]

WAC 230-16-125 Disposable bingo card packing slip and package label. Manufacturers of disposable bingo cards must establish marketing units that are complete and contain the correct number of cards or packets they have chosen. Manufacturers must complete a packing slip for each set of cards or collation of packets and either enclose it inside the shipping container or in an envelope attached to the container. Additionally:

(1) Manufacturers must label each marketing unit in a way that allows the contents to be determined without opening. The label must include, at least:

(a) The I.D. stamp numbers; and

(b) Serial number or, if packets, serial number of the top page; and

(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.

(11/20/09)

(2) If the marketing unit contains more than one container, manufacturers must include the packing slip in or attach it to the first container. The packing slip must include:

(a) The manufacturer's name; and

(b) Descriptions of the product, including the "series," "on," "cut," and "up"; and

(c) The records entry label that matches the I.D. stamp; and

(d) The serial number or, if packets, the serial number of the top page; and

(e) The color and border pattern or, if packets, colors and border patterns of all sets and the collation sequence; and

(f) A record of any skips (missing cards, sheets of cards, or packets); and

(g) The number of the carton and the total number of cartons included in the marketing unit.

(3) Manufacturers must mark the specific cards or packets on the marketing unit packing slip. Manufacturers may have a margin of error up to one percent, as long as they document all missing cards, sheets, or packets on the packing slip enclosed in the first container of the marketing unit. We prohibit shipping of marketing units with a margin of error greater than one percent.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-125, filed 9/17/07, effective 1/1/08.]

WAC 230-16-130 Disposable bingo card sales. (1) Manufacturers of disposable bingo cards must sell each set or collation as a single unit.

(2) We allow distributors to open containers for Class E and below operators and operators of authorized unlicensed activities:

(a) At an operator's request to change the "on," "up," and "cut." When a modification is made, the distributor must reseal the carton and note all changes on the packing label; or

(b) To provide cards to individuals for recreational activities; or

(c) To provide cards for "promotional contests of chance."

(3) Subsets must have at least one container, except distributors may open the container and sell cards in smaller quantities described in subsection (2) of this section.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-130, filed 9/17/07, effective 1/1/08.]

WAC 230-16-135 "Player selection" bingo cards. Manufacturers and distributors of "player selection" bingo cards must:

(1) Meet all requirements for disposable bingo cards; and

(2) Print cards on two-part, self-duplicating paper that provides an original and duplicate copy.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-135, filed 9/17/07, effective 1/1/08.]

WAC 230-16-140 "Hidden face" bingo cards. Manufacturers and distributors of "hidden face" bingo cards must:

(1) Meet all requirements for disposable bingo cards; and

(2) Print, fold, and seal each card or sheet of cards so that no one may determine the numbers or configurations of numbers on the card, or the card number until opened; and

(3) Have a separate numbering system for each card or sheet that randomly distributes numbers that is not connected with the card number printed in the "free" space; and

(4) Mix cards or sheets so that:

(a) No relationship exists between the card numbers and separate numbering system within a set or subset; and

(b) No patterns or consistent relationships of location exist between specific card numbers in subsets from different sets; and

(5) Imprint the serial number and the card or sheet number from subsection (3) of this section on the outside of the cards or sheets of cards so that it is visible for recording without opening; and

(6) Make sets of cards that contain at least six thousand unique faces or patterns of numbers. Subsets of "hidden face" bingo cards must contain at least one thousand cards or sheets of cards.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-140, filed 9/17/07, effective 1/1/08.]

WAC 230-16-145 Electronically generated bingo card computer systems. Manufacturers of electronically generated bingo cards for electronic bingo daubers must use a computer to store the bingo cards and interface with a printer. The computer must:

(1) Retain in memory a record of transactions for a session until the operator totals, prints, and clears the transactions, even if the unit's primary power source is disrupted; and

(2) Compute a total of all transactions occurring during the current session and print out the total on request; and

(3) Maintain and control the time and date of sale and transaction number in a manner that prohibits change or resetting except by the manufacturer or qualified service personnel. Operators must retain a detailed record, supported by service documents for each service call involving a change of the time, date, or transaction number; and

(4) Secure the electronically stored bingo cards in a way that prevents an operator or player from modifying them. The system must not allow operators to exchange, transfer, refund, or modify the price of cards issued to a player in any way after the sale is made. The system must store cards on "erasable programmable read only memory" (EPROM), "compact disc read only memory" (CDROM), "write once read many" disc drives (WORM), or other systems we approve.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-145, filed 9/17/07, effective 1/1/08.]

WAC 230-16-150 Control system for electronically generated bingo cards. Manufacturers of electronically generated bingo cards for electronic bingo daubers must imprint their cards with a control system that includes at least:

(1) A card number; and

(2) A consecutive transaction number for each sheet of cards that does not repeat in less than 999,999 transactions; and

(3) The name of the licensee operating the activity; and

(4) The time and date of the transaction; and

(5) The game number; and

(6) The amount paid for the opportunity to play each game. If the operator uses the combination receipting method, they may substitute the customer receipt number; and

(7) The total amount paid; and

(8) The face number and the card number the manufacturer assigned or, if used in "player selection games," the face numbers the player selected.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-150, filed 9/17/07, effective 1/1/08.]

ELECTRONIC CARD FACSIMILES

WAC 230-16-155 Electronic card facsimiles. (1) Manufacturers of electronic card facsimiles must ensure their system:

(a) Produces accurate facsimiles of one or more standard deck(s) of cards; and

(b) Randomly shuffles cards before each round of play or shoe loading; and

(c) Contains a backup system that records and displays at least five previous rounds of play; and

(d) Contains security protocols which prevent unauthorized access; and

(e) Is operated by card room personnel and does not allow players to play solely against the equipment; and

(f) Allows testing of the computer software; and

(g) Operates only under card room internal controls specific to each system.

(2) Manufacturers must have a licensed game testing laboratory test and certify that the system complies with subsection (1) of this section.

(3) Manufacturers must also submit their system to us for testing, as explained in WAC 230-06-050, with the certification from the independent laboratory and receive our approval before operating the system.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-155, filed 9/17/07, effective 1/1/08.]

I.D. STAMPS

WAC 230-16-160 I.D. stamps for gambling equipment. (1) If gambling equipment requires our approval, manufacturers and distributors must not attach I.D. stamps to the equipment until we approve it.

(2) Manufacturers must permanently and prominently attach our I.D. stamps to their gambling equipment. Once attached, no one may remove or tamper with the I.D. stamps. Manufacturers must attach I.D. stamps to:

(a) Punch boards; and

(b) Pull-tab flares; and

(c) Pull-tab dispensers; and

(d) Disposable bingo card packing slips; and

(e) Coin or token activated amusement games operated at locations with a Class A license; and

(f) Electronic bingo card daubers; and

(g) Electronic card facsimile tables; and

(h) Other items specified by the director.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-160, filed 9/17/07, effective 1/1/08.]

WAC 230-16-165 Purchasing I.D. stamps. (1) Manufacturers must purchase I.D. stamps from us and attach them to the equipment specified in this chapter.

(2) Any manufacturer may return damaged stamps to us with a detailed listing of the damaged stamps and must pay a service charge. We will then replace the I.D. stamps.

(3) Owners of gambling equipment which require annual I.D. stamps must purchase I.D. stamps from us and attach them to their gambling equipment. Annual I.D. stamps expire on December 31 each year, even if the equipment was placed out for play mid-year.

(4) Owners of pull-tab dispensers must purchase I.D. stamps to replace worn I.D. stamps on pull-tab dispensers. The owner must send us:

(a) A copy of the invoice for the purchase of the dispenser from the manufacturer, distributor, or operator; or

(b) A complete description of the pull-tab dispenser, serial number, manufacturer, and the previous I.D. stamp number, if known.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-165, filed 9/17/07, effective 1/1/08.]

WAC 230-16-170 I.D. stamps must be visible. (1) I.D. stamps on gambling equipment must be visible to allow inspection.

(2) If equipment is packaged within protective materials, the I.D. stamps must be visible for inspection without removing any of the packaging (for example, shrink wrap).

(3) If more than one piece of gambling equipment is packed in a container, manufacturers must list the I.D. stamp numbers on the outside of the container.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-170, filed 9/17/07, effective 1/1/08.]

WAC 230-16-175 Placing I.D. stamps and records entry labels. (1) Manufacturers must attach I.D. stamps and records entry labels to approved gambling equipment in the following way:

(a) **Punch boards** - On the reverse side of the board in an area that will not obstruct removal of punches. If sufficient space is not available on the reverse side, licensees may wrap the records entry labels around or partially attach them to the edge of the punch board as long as this does not obstruct display of prizes available or other information we require.

(b) **Pull tabs** - On the face or reverse side of the flare. If placed on the face, the I.D. stamps and records entry labels must not obstruct prizes available or other information we require.

(c) **Disposable bingo cards** - On the packing label on the outside of the shipping carton. Manufacturers must attach records entry labels to the packing slip. When they pack a set or collation of cards in more than one shipping container, manufacturers may attach the I.D. stamp to the first container and print the I.D. stamp number on all remaining shipping containers.

(2) **Electronic pull-tab dispensers, electronic bingo card daubers, and electronic facsimile card tables** - Manufacturers or owners must attach I.D. stamps on the outside of the main body, in an area that is not normally removed and replaced, and in a way that does not obstruct the view of the

pull-tabs available for play, the bingo cards, or the card facsimiles.

(3) **Electromechanical and mechanical pull-tab dispensers** - Manufacturers or owners must attach I.D. stamps on the outside of the main body, in an area that is not normally removed and replaced, and in a way that does not obstruct the view of the pull-tabs available for play or the card facsimiles. Licensees may discard records entry labels.

(4) **Amusement games** - Owners must attach I.D. stamps on the outside of the main body, in an area that is not normally removed and replaced, and in a way that does not obstruct the view of the amusement game prizes.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-175, filed 9/17/07, effective 1/1/08.]

WAC 230-16-180 Record retention for I.D. stamp records. Manufacturers must keep records that provide an accountability trail for all I.D. stamps purchased.

(1) For I.D. stamps attached to gambling equipment and sold, manufacturers must keep the I.D. stamps records for at least three years and include, at least:

- (a) The name of the purchaser;
- (b) The date of the sale; and
- (c) The invoice number recording the sale.

(2) For all unused or damaged I.D. stamps, manufacturers must indefinitely retain the I.D. stamps or provide records that include enough detail to allow us to account for all I.D. stamps.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-180, filed 9/17/07, effective 1/1/08.]

RECORDKEEPING

WAC 230-16-185 Accounting records for manufacturers and distributors. Manufacturers and distributors must keep and maintain a complete set of records for their licensed activity. They must, at least:

(1) Use the double entry accounting method, update these records at least once a month and provide a monthly balance for each account; and

(2) Maintain their records in accordance with generally accepted accounting principles and ensure the records can be reconciled to the licensee's federal income tax return; and

(3) Keep:

(a) **Cash disbursements book (check register)** - Manufacturers and distributors must document all expenses, both gambling and nongambling related, with invoices or other appropriate supporting documents. They must enter information monthly and include, at least:

- (i) The date the check was issued or payment made;
- (ii) The number of the check; and
- (iii) The name of the payee; and
- (iv) Type of expense; and

(b) **Cash receipts** - Manufacturers and distributors must keep a record of cash sales and cash received from all sources. They must enter information for each payment received monthly and include, at least, the:

- (i) Date; and
- (ii) Name of the person paying; and
- (iii) Amount; and

(c) **General ledger** - Manufacturers and distributors whose gambling related sales are greater than five hundred thousand dollars per year must have a general ledger which contains, in addition to all other accounts by month, a separate sales account for each type of sale; and

(d) **Bank reconciliation** - Manufacturers and distributors must reconcile their accounts each month. "Reconcile" means the manufacturer or distributor must compare the two balances, resolve any differences, and document the comparison and the differences in writing; and

(e) **Copies of all financial data** - Manufacturers and distributors must keep copies of all financial data that supports tax reports to governmental agencies; and

(4) Maintain copies of all agreements regarding sales or leasing of gambling equipment and supplies that fully disclose all terms.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-185, filed 9/17/07, effective 1/1/08.]

WAC 230-16-190 Sales invoices for manufacturers and distributors. Manufacturers and distributors must document each sale of equipment or services, any return or refund, or any other type of transfer of punch boards, pull-tabs, pull-tab dispensers, or bingo equipment, including bingo cards, with a standard sales invoice.

Sales invoices and credit memos - These invoices and credit memos must:

(1) Be prenumbered sequentially at the time of purchase, using not less than four digits. Manufacturers and distributors may use computer generated numbering systems if:

(a) The system numbers the invoices and credit memos sequentially; and

(b) The manufacturers and distributors use the same system for all sales; and

(c) The manufacturers and distributors must not use a manual override function; and

(2) Record:

(a) The date of sale. Distributors must also enter the date of delivery if different from the date of sale; and

(b) The customer's name and complete business address; and

(c) A full description of each item sold or service provided, including the I.D. stamp number for each item, if attached; and

(d) The quantity and price of each item, including each merchandise prize for punch boards or pull-tabs; and

(e) The gross amount of each sale, including all discount terms and the total dollar amount of any discount; and

(3) Have three parts including, at least:

(a) The original, which must be given to the customer; and

(b) One which must be filed by customer name; and

(c) One which must be filed by invoice number or in an electronic sales journal, if we approve it.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-190, filed 9/17/07, effective 1/1/08.]

WAC 230-16-195 Additional requirements for sales invoices. (1) In addition to the requirements of WAC 230-16-190, manufacturers and distributors must complete sales invoices that include:

(a) For distributors, a separate line for each I.D. stamp number; and

(b) Space for the operator to either attach a records entry label or enter the I.D. stamp number and the date they placed the equipment out for play, adjacent to the written entry the distributor makes; and

(c) For each punch board or pull-tab, at least:

(i) Trade name of the game; and

(ii) Type of gambling equipment; and

(iii) Form number or other manufacturer-assigned method to specifically identify a board or series, including the size or number of chances; and

(iv) I.D. stamp number; and

(d) For each pull-tab dispenser, at least:

(i) Trade name of the dispenser; and

(ii) Type of dispenser; and

(iii) I.D. stamp number; and

(e) For each set of cards or collation of packets of disposable bingo cards, at least:

(i) Type of product, including product line; and

(ii) Description of product, including the number of cartons, "series," "on," "cut," and "up"; and

(iii) I.D. stamp number; and

(iv) Serial number or, if packets, serial number of the top page; and

(v) Color and border pattern or, if packets, color and border pattern of the top page; and

(vi) The unit or package number when a series or collation has been divided; and

(vii) For disposable bingo cards to be sold for linked bingo prize games the beginning and ending sheet numbers sold to or returned from the operator; and

(f) For merchandise prizes, at least:

(i) The date of purchase; and

(ii) The company's name and complete business address; and

(iii) A full description of each item purchased; and

(iv) The quantity of items purchased; and

(v) The cost per individual items purchased; and

(g) For sequentially prenumbered card game recordkeeping forms, at least:

(i) Type of form; and

(ii) Beginning and ending serial numbers; and

(iii) Quantity of forms; and

(h) For all other gambling equipment, at least:

(i) Trade name of device; and

(ii) Type of device; and

(iii) Serial number or other identification numbers or characteristics; and

(2) Manufacturers and distributors must record and maintain information documenting the sales of progressive jackpot pull-tabs in a separate filing system. They may use a computerized system to separately track this information and provide immediate reports.

[Statutory Authority: RCW 9.46.070 and 34.05.353. 08-22-068 (Order 635), § 230-16-195, filed 11/4/08, effective 1/1/09. Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-195, filed 9/17/07, effective 1/1/08.]

WAC 230-16-200 Sales journals for manufacturers and distributors. Manufacturers and distributors must keep a monthly sales journal containing, at least:

- (1) Each date of sale; and
- (2) Each sale invoice number; and
- (3) The name of the person paying; and
- (4) Sales by category, including:
 - (a) Punch boards that pay out:
 - (i) Cash; and
 - (ii) Merchandise prizes; and
 - (b) Pull-tab series that pay out:
 - (i) Cash; and
 - (ii) Merchandise prizes; and
 - (c) Pull-tab dispensers; and
 - (d) Merchandise intended for punch boards or pull-tab series prizes; and
 - (e) Bingo equipment; and
 - (f) Sales directly related to gambling activities, including pull-tab dispensers, equipment leases, or sales and supplies; and
- (5) The total amount of each invoice.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-200, filed 9/17/07, effective 1/1/08.]

WAC 230-16-205 Record retention for manufacturers and distributors. Manufacturers and distributors must retain the following for at least three years after the end of their fiscal year:

- (1) All required accounting records; and
- (2) Monthly records; and
- (3) Sales invoices; and
- (4) Sales receipts; and
- (5) Sales journals; and
- (6) Credit memos.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-205, filed 9/17/07, effective 1/1/08.]

WAC 230-16-210 Alternative formats for record-keeping. Manufacturers and distributors must receive advanced written approval from us for any alternative format of recording, such as:

- (1) Sales invoice numbers explained in WAC 230-16-190 (1)(a); or
- (2) Invoice files by customer name and invoice number; or
- (3) Tracking progressive jackpot pull-tab series; or
- (4) Sales journals; or
- (5) Cash disbursements book (check register).

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-210, filed 9/17/07, effective 1/1/08.]

WAC 230-16-215 Accounting records and record retention for gambling service suppliers. Gambling service suppliers (service suppliers) must maintain records that document services they provide and receipts of payments for those services.

- (1) Service suppliers must maintain an accounting system that includes, at least:
 - (a) **Sales invoices** - Sales invoices or detailed monthly billing statements issued to each customer. Service suppliers

(11/20/09)

must maintain copies of these invoices or billing statements on their premises; and

(b) **Sales journal** - The sales journal must contain, at least, the following by month:

- (i) Date of sale; and
- (ii) The invoice number; and
- (iii) The name of the person paying; and
- (iv) Category of each service provided; and
- (v) Payment amount; and

(c) **Cash receipts** - Service suppliers must record all cash receipts in an original book of entry like a sales journal, a check register, or a separate cash receipts journal. This record must include cash sales and cash received from all sources and, at least the following, by month:

- (i) Date the payment was received; and
- (ii) Name of the person paying; and
- (iii) Payment amount; and

(d) **Bank statements** - Service suppliers must maintain copies of all deposits, deposit slips, and receipts; and

(e) **General ledger** - Service suppliers whose gambling related activities are greater than five hundred thousand dollars per year must have a general ledger which contains, in addition to all other accounts by month, a separate sales account for each type of activity; and

(f) **Copies of all financial data** - Service suppliers must maintain copies of all financial data that supports tax reports to governmental agencies.

(2) Service suppliers must:

- (a) Maintain copies of all contracts they enter into with their customers which fully disclose all terms; and
- (b) Keep and maintain required records for three years following the end of their fiscal year.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-215, filed 9/17/07, effective 1/1/08.]

WAC 230-16-220 Activity reports by manufacturers and distributors. Manufacturers and distributors must submit activity reports to us twice a year for sales and services related to gambling activities. The activity reports must be in the format we require and must:

(1) Cover the periods:

- (a) January 1 through June 30; and
- (b) July 1 through December 31; and

(2) Be received at our administrative office or post-marked no later than thirty days following the end of the reporting period; and

(3) Be signed by the licensee's highest ranking executive officer or a designee. If someone other than the manufacturer or distributor or its employee prepares the report, then it must provide the preparer's name and business telephone number; and

(4) Be submitted for any period of time their license was valid, even if they had no activity or did not renew.

[Statutory Authority: RCW 9.46.070. 07-19-069 (Order 615), § 230-16-220, filed 9/17/07, effective 1/1/08.]