WSR 23-03-076 PREPROPOSAL STATEMENT OF INOUIRY GAMBLING COMMISSION [Filed January 13, 2023, 2:24 p.m.]

Subject of Possible Rule Making: The gambling commission is reviewing its licensing fees to ensure that they are sufficient to cover the agency's costs of licensing, regulation, and enforcement in the coming years.

Statutes Authorizing the Agency to Adopt Rules on this Subject: RCW 9.46.070.

Reasons Why Rules on this Subject may be Needed and What They Might Accomplish: Although the gambling industry has largely recovered from a significant contraction due to the COVID-19 pandemic, the number of licensees has decreased in the last three years. This decline in licensees has caused revenues to flatten, while operating costs continue to increase in this inflationary period. Current license fees are not projected to be sufficient to cover the agency's costs of licensing, regulation, and enforcement beginning in fiscal year 2024. It is necessary to review the established fees (base fee rates, fee rate as a percentage of gross gambling receipts, and annual maximum fee levels) and consider increases that can support the commission's operating costs.

Process for Developing New Rule: Regular rule making.

Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting Lisa McLean, Legislative and Policy Manager, P.O. Box 42400, Olympia, WA 98504-2400, phone 360-486-3440, TTY 360-486-3637, email rules.coordinator@wsgc.wa.gov, website www.wsgc.wa.gov.

> January 9, 2023 Lisa McLean Legislative and Policy Manager