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SENATE BILL 5241

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State of Washington

53rd Legislature

1993 Regular Session

By Senators Vognild, Newhouse, Moore and Prince

Read first time 01/19/93. Referred to Committee on Labor & Commerce.

1 AN ACT Relating to gambling; amending RCW 9.46.070; providing an  
2 effective date; and declaring an emergency.

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

4 **Sec. 1.** RCW 9.46.070 and 1987 c 4 s 38 are each amended to read as  
5 follows:

6 The commission shall have the following powers and duties:

7 (1) To authorize and issue licenses for a period not to exceed one  
8 year to bona fide charitable or nonprofit organizations approved by the  
9 commission meeting the requirements of this chapter and any rules and  
10 regulations adopted pursuant thereto permitting said organizations to  
11 conduct bingo games, raffles, amusement games, and social card games,  
12 to utilize punch boards and pull-tabs in accordance with the provisions  
13 of this chapter and any rules and regulations adopted pursuant thereto  
14 and to revoke or suspend said licenses for violation of any provisions  
15 of this chapter or any rules and regulations adopted pursuant thereto:  
16 PROVIDED, That the commission shall not deny a license to an otherwise  
17 qualified applicant in an effort to limit the number of licenses to be  
18 issued: PROVIDED FURTHER, That the commission or director shall not  
19 issue, deny, suspend, or revoke any license because of considerations

1 of race, sex, creed, color, or national origin: AND PROVIDED FURTHER,  
2 That the commission may authorize the director to temporarily issue or  
3 suspend licenses subject to final action by the commission;

4 (2) To authorize and issue licenses for a period not to exceed one  
5 year to any person, association, or organization operating a business  
6 primarily engaged in the selling of items of food or drink for  
7 consumption on the premises, approved by the commission meeting the  
8 requirements of this chapter and any rules and regulations adopted  
9 pursuant thereto permitting said person, association, or organization  
10 to utilize punch boards and pull-tabs and to conduct social card games  
11 as a commercial stimulant in accordance with the provisions of this  
12 chapter and any rules and regulations adopted pursuant thereto and to  
13 revoke or suspend said licenses for violation of any provisions of this  
14 chapter and any rules and regulations adopted pursuant thereto:  
15 PROVIDED, That the commission shall not deny a license to an otherwise  
16 qualified applicant in an effort to limit the number of licenses to be  
17 issued: PROVIDED FURTHER, That the commission may authorize the  
18 director to temporarily issue or suspend licenses subject to final  
19 action by the commission;

20 (3) To authorize and issue licenses for a period not to exceed one  
21 year to any person, association, or organization approved by the  
22 commission meeting the requirements of this chapter and meeting the  
23 requirements of any rules and regulations adopted by the commission  
24 pursuant to this chapter as now or hereafter amended, permitting said  
25 person, association, or organization to conduct or operate amusement  
26 games in such manner and at such locations as the commission may  
27 determine;

28 (4) To authorize, require, and issue, for a period not to exceed  
29 one year, such licenses as the commission may by rule provide, to any  
30 person, association, or organization to engage in the selling,  
31 distributing, or otherwise supplying or in the manufacturing of devices  
32 for use within this state for those activities authorized by this  
33 chapter;

34 (5) To establish a schedule of annual license fees for carrying on  
35 specific gambling activities upon the premises, and for such other  
36 activities as may be licensed by the commission, which fees shall  
37 provide to the commission not less than an amount of money adequate to  
38 cover all costs incurred by the commission relative to licensing under  
39 this chapter and the enforcement by the commission of the provisions of

1 this chapter and rules and regulations adopted pursuant thereto:  
2 PROVIDED, That all licensing fees shall be submitted with an  
3 application therefor and such portion of said fee as the commission may  
4 determine, based upon its cost of processing and investigation, shall  
5 be retained by the commission upon the withdrawal or denial of any such  
6 license application as its reasonable expense for processing the  
7 application and investigation into the granting thereof: PROVIDED  
8 FURTHER, That if in a particular case the basic license fee established  
9 by the commission for a particular class of license is less than the  
10 commission's actual expenses to investigate that particular  
11 application, the commission may at any time charge to that applicant  
12 such additional fees as are necessary to pay the commission for those  
13 costs. The commission may decline to proceed with its investigation  
14 and no license shall be issued until the commission has been fully paid  
15 therefor by the applicant: AND PROVIDED FURTHER, That the commission  
16 may establish fees for the furnishing by it to licensees of  
17 identification stamps to be affixed to such devices and equipment as  
18 required by the commission and for such other special services or  
19 programs required or offered by the commission, the amount of each of  
20 these fees to be not less than is adequate to offset the cost to the  
21 commission of the stamps and of administering their dispersal to  
22 licensees or the cost of administering such other special services,  
23 requirements or programs;

24 (6) To prescribe the manner and method of payment of taxes, fees  
25 and penalties to be paid to or collected by the commission;

26 (7) To require that applications for all licenses contain such  
27 information as may be required by the commission: PROVIDED, That all  
28 persons (a) having a managerial or ownership interest in any gambling  
29 activity, or the building in which any gambling activity occurs, or the  
30 equipment to be used for any gambling activity, or (b) participating as  
31 an employee in the operation of any gambling activity, shall be listed  
32 on the application for the license and the applicant shall certify on  
33 the application, under oath, that the persons named on the application  
34 are all of the persons known to have an interest in any gambling  
35 activity, building, or equipment by the person making such application:  
36 PROVIDED FURTHER, That the commission may require fingerprinting and  
37 background checks on any persons seeking licenses under this chapter or  
38 of any person holding an interest in any gambling activity, building,

1 or equipment to be used therefor, or of any person participating as an  
2 employee in the operation of any gambling activity;

3 (8) To require that any license holder maintain records as directed  
4 by the commission and submit such reports as the commission may deem  
5 necessary;

6 (9) To require that all income from bingo games, raffles, and  
7 amusement games be recorded and reported as established by rule or  
8 regulation of the commission to the extent deemed necessary by  
9 considering the scope and character of the gambling activity in such a  
10 manner that will disclose gross income from any gambling activity,  
11 amounts received from each player, the nature and value of prizes, and  
12 the fact of distributions of such prizes to the winners thereof;

13 (10) To regulate and establish maximum limitations on income  
14 derived from bingo(~~(:—PROVIDED, That)~~). In establishing limitations  
15 pursuant to this subsection the commission shall take into account (i)  
16 the nature, character, and scope of the activities of the licensee;  
17 (ii) the source of all other income of the licensee; and (iii) the  
18 percentage or extent to which income derived from bingo is used for  
19 charitable, as distinguished from nonprofit, purposes. However, the  
20 commission's powers and duties granted by this subsection are  
21 permissive and not mandatory;

22 (11) To regulate and establish the type and scope of and manner of  
23 conducting the gambling activities authorized by this chapter,  
24 including but not limited to, the extent of wager, money, or other  
25 thing of value which may be wagered or contributed or won by a player  
26 in any such activities;

27 (12) To regulate the collection of and the accounting for the fee  
28 which may be imposed by an organization, corporation or person licensed  
29 to conduct a social card game on a person desiring to become a player  
30 in a social card game in accordance with RCW 9.46.0281(4);

31 (13) To cooperate with and secure the cooperation of county, city,  
32 and other local or state agencies in investigating any matter within  
33 the scope of its duties and responsibilities;

34 (14) In accordance with RCW 9.46.080, to adopt such rules and  
35 regulations as are deemed necessary to carry out the purposes and  
36 provisions of this chapter. All rules and regulations shall be adopted  
37 pursuant to the administrative procedure act, chapter 34.05 RCW;

38 (15) To set forth for the perusal of counties, city-counties,  
39 cities and towns, model ordinances by which any legislative authority

1 thereof may enter into the taxing of any gambling activity authorized  
2 by this chapter;

3 (16) To establish and regulate a maximum limit on salaries or wages  
4 which may be paid to persons employed in connection with activities  
5 conducted by bona fide charitable or nonprofit organizations and  
6 authorized by this chapter, where payment of such persons is allowed,  
7 and to regulate and establish maximum limits for other expenses in  
8 connection with such authorized activities, including but not limited  
9 to rent or lease payments. However, the commissioner's powers and  
10 duties granted by this subsection are permissive and not mandatory.

11 In establishing these maximum limits the commission shall take into  
12 account the amount of income received, or expected to be received, from  
13 the class of activities to which the limits will apply and the amount  
14 of money the games could generate for authorized charitable or  
15 nonprofit purposes absent such expenses. The commission may also take  
16 into account, in its discretion, other factors, including but not  
17 limited to, the local prevailing wage scale and whether charitable  
18 purposes are benefited by the activities;

19 (17) To authorize, require, and issue for a period not to exceed  
20 one year such licenses or permits, for which the commission may by rule  
21 provide, to any person to work for any operator of any gambling  
22 activity authorized by this chapter in connection with that activity,  
23 or any manufacturer, supplier, or distributor of devices for those  
24 activities in connection with such business. The commission shall not  
25 require that persons working solely as volunteers in an authorized  
26 activity conducted by a bona fide charitable or bona fide nonprofit  
27 organization, who receive no compensation of any kind for any purpose  
28 from that organization, and who have no managerial or supervisory  
29 responsibility in connection with that activity, be licensed to do such  
30 work. The commission may require that licensees employing such  
31 unlicensed volunteers submit to the commission periodically a list of  
32 the names, addresses, and dates of birth of the volunteers. If any  
33 volunteer is not approved by the commission, the commission may require  
34 that the licensee not allow that person to work in connection with the  
35 licensed activity;

36 (18) To publish and make available at the office of the commission  
37 or elsewhere to anyone requesting it a list of the commission  
38 licensees, including the name, address, type of license, and license  
39 number of each licensee;

1       (19) To establish guidelines for determining what constitutes  
2 active membership in bona fide nonprofit or charitable organizations  
3 for the purposes of this chapter; and

4       (20) To perform all other matters and things necessary to carry out  
5 the purposes and provisions of this chapter.

6       NEW SECTION.   **Sec. 2.** This act is necessary for the immediate  
7 preservation of the public peace, health, or safety, or support of the  
8 state government and its existing public institutions, and shall take  
9 effect June 1, 1993.

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