
HOUSE BILL 3119

State of Washington 58th Legislature 2004 Regular Session

By Representatives Conway, Bush and Lantz

Read first time 01/28/2004. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to requiring a super-majority of the legislature
2 increase betting limits; amending RCW 9.46.010 and 9.46.070; and
3 declaring an emergency.

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

5 **Sec. 1.** RCW 9.46.010 and 1996 c 101 s 2 are each amended to read
6 as follows:

7 The public policy of the state of Washington on gambling is to keep
8 the criminal element out of gambling and to promote the social welfare
9 of the people by limiting the nature and scope of gambling activities
10 and by strict regulation and control.

11 It is hereby declared to be the policy of the legislature,
12 recognizing the close relationship between professional gambling and
13 organized crime, to restrain all persons from seeking profit from
14 professional gambling activities in this state; to restrain all persons
15 from patronizing such professional gambling activities; to safeguard
16 the public against the evils induced by common gamblers and common
17 gambling houses engaged in professional gambling; and at the same time,
18 both to preserve the freedom of the press and to avoid restricting
19 participation by individuals in activities and social pastimes, which

1 activities and social pastimes are more for amusement rather than for
2 profit, do not maliciously affect the public, and do not breach the
3 peace.

4 The legislature further declares that the raising of funds for the
5 promotion of bona fide charitable or nonprofit organizations is in the
6 public interest as is participation in such activities and social
7 pastimes as are hereinafter in this chapter authorized.

8 The legislature further declares that the conducting of bingo,
9 raffles, and amusement games and the operation of punch boards, pull-
10 tabs, card games and other social pastimes, when conducted pursuant to
11 the provisions of this chapter and any rules and regulations adopted
12 pursuant thereto, are hereby authorized, as are only such lotteries for
13 which no valuable consideration has been paid or agreed to be paid as
14 hereinafter in this chapter provided.

15 The legislature further declares that in establishing a maximum
16 wager, money, or other thing of value that may be wagered or
17 contributed by a player in any gambling activities subject to this
18 chapter, it is the intent of the legislature that any such lottery or
19 gambling activity involving a wager or contribution in excess of the
20 maximum authorized amount is prohibited. Any increase in the maximum
21 authorized wager amount after the effective date of this act thus
22 constitutes the elimination of that prohibition and, under Article II,
23 section 24 of the state Constitution, requires an affirmative vote of
24 sixty percent of the members of each house of the legislature.

25 The legislature further declares that fishing derbies shall not
26 constitute any form of gambling and shall not be considered as a
27 lottery, a raffle, or an amusement game and shall not be subject to the
28 provisions of this chapter or any rules and regulations adopted
29 hereunder.

30 The legislature further declares that raffles authorized by the
31 fish and wildlife commission involving hunting big game animals or wild
32 turkeys shall not be subject to the provisions of this chapter or any
33 rules and regulations adopted hereunder, with the exception of this
34 section and RCW 9.46.400.

35 All factors incident to the activities authorized in this chapter
36 shall be closely controlled, and the provisions of this chapter shall
37 be liberally construed to achieve such end.

1 **Sec. 2.** RCW 9.46.070 and 2002 c 119 s 1 are each amended to read
2 as follows:

3 The commission shall have the following powers and duties:

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

20 (2) To authorize and issue licenses for a period not to exceed one
21 year to any person, association, or organization operating a business
22 primarily engaged in the selling of items of food or drink for
23 consumption on the premises, approved by the commission meeting the
24 requirements of this chapter and any rules and regulations adopted
25 pursuant thereto permitting said person, association, or organization
26 to utilize punch boards and pull-tabs and to conduct social card games
27 as a commercial stimulant in accordance with the provisions of this
28 chapter and any rules and regulations adopted pursuant thereto and to
29 revoke or suspend said licenses for violation of any provisions of this
30 chapter and any rules and regulations adopted pursuant thereto:
31 PROVIDED, That the commission shall not deny a license to an otherwise
32 qualified applicant in an effort to limit the number of licenses to be
33 issued: PROVIDED FURTHER, That the commission may authorize the
34 director to temporarily issue or suspend licenses subject to final
35 action by the commission;

36 (3) To authorize and issue licenses for a period not to exceed one
37 year to any person, association, or organization approved by the
38 commission meeting the requirements of this chapter and meeting the

1 requirements of any rules and regulations adopted by the commission
2 pursuant to this chapter as now or hereafter amended, permitting said
3 person, association, or organization to conduct or operate amusement
4 games in such manner and at such locations as the commission may
5 determine;

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

12 (5) To establish a schedule of annual license fees for carrying on
13 specific gambling activities upon the premises, and for such other
14 activities as may be licensed by the commission, which fees shall
15 provide to the commission not less than an amount of money adequate to
16 cover all costs incurred by the commission relative to licensing under
17 this chapter and the enforcement by the commission of the provisions of
18 this chapter and rules and regulations adopted pursuant thereto:
19 PROVIDED, That all licensing fees shall be submitted with an
20 application therefor and such portion of said fee as the commission may
21 determine, based upon its cost of processing and investigation, shall
22 be retained by the commission upon the withdrawal or denial of any such
23 license application as its reasonable expense for processing the
24 application and investigation into the granting thereof: PROVIDED
25 FURTHER, That if in a particular case the basic license fee established
26 by the commission for a particular class of license is less than the
27 commission's actual expenses to investigate that particular
28 application, the commission may at any time charge to that applicant
29 such additional fees as are necessary to pay the commission for those
30 costs. The commission may decline to proceed with its investigation
31 and no license shall be issued until the commission has been fully paid
32 therefor by the applicant: AND PROVIDED FURTHER, That the commission
33 may establish fees for the furnishing by it to licensees of
34 identification stamps to be affixed to such devices and equipment as
35 required by the commission and for such other special services or
36 programs required or offered by the commission, the amount of each of
37 these fees to be not less than is adequate to offset the cost to the

1 commission of the stamps and of administering their dispersal to
2 licensees or the cost of administering such other special services,
3 requirements or programs;

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

6 (7) To require that applications for all licenses contain such
7 information as may be required by the commission: PROVIDED, That all
8 persons (a) having a managerial or ownership interest in any gambling
9 activity, or the building in which any gambling activity occurs, or the
10 equipment to be used for any gambling activity, or (b) participating as
11 an employee in the operation of any gambling activity, shall be listed
12 on the application for the license and the applicant shall certify on
13 the application, under oath, that the persons named on the application
14 are all of the persons known to have an interest in any gambling
15 activity, building, or equipment by the person making such application:
16 PROVIDED FURTHER, That the commission shall require fingerprinting and
17 national criminal history background checks on any persons seeking
18 licenses, certifications, or permits under this chapter or of any
19 person holding an interest in any gambling activity, building, or
20 equipment to be used therefor, or of any person participating as an
21 employee in the operation of any gambling activity. All national
22 criminal history background checks shall be conducted using
23 fingerprints submitted to the United States department of justice-
24 federal bureau of investigation. The commission must establish rules
25 to delineate which persons named on the application are subject to
26 national criminal history background checks. In identifying these
27 persons, the commission must take into consideration the nature,
28 character, size, and scope of the gambling activities requested by the
29 persons making such applications;

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

33 (9) To require that all income from bingo games, raffles, and
34 amusement games be recorded and reported as established by rule or
35 regulation of the commission to the extent deemed necessary by
36 considering the scope and character of the gambling activity in such a
37 manner that will disclose gross income from any gambling activity,

1 amounts received from each player, the nature and value of prizes, and
2 the fact of distributions of such prizes to the winners thereof;

3 (10) To regulate and establish maximum limitations on income
4 derived from bingo. In establishing limitations pursuant to this
5 subsection the commission shall take into account (i) the nature,
6 character, and scope of the activities of the licensee; (ii) the source
7 of all other income of the licensee; and (iii) the percentage or extent
8 to which income derived from bingo is used for charitable, as
9 distinguished from nonprofit, purposes. However, the commission's
10 powers and duties granted by this subsection are discretionary and not
11 mandatory;

12 (11) To regulate and establish the type and scope of and manner of
13 conducting the gambling activities authorized by this chapter,
14 (~~including but not limited to,~~) except that, after the effective date
15 of this act, any increase in the extent of wager, money, or other thing
16 of value which may be wagered or contributed (~~or won~~) by a player in
17 any such activities is within the exclusive authority of the
18 legislature;

19 (12) To regulate the collection of and the accounting for the fee
20 which may be imposed by an organization, corporation, or person
21 licensed to conduct a social card game on a person desiring to become
22 a player in a social card game in accordance with RCW 9.46.0282;

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

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

30 (15) To set forth for the perusal of counties, city-counties,
31 cities and towns, model ordinances by which any legislative authority
32 thereof may enter into the taxing of any gambling activity authorized
33 by this chapter;

34 (16) To establish and regulate a maximum limit on salaries or wages
35 which may be paid to persons employed in connection with activities
36 conducted by bona fide charitable or nonprofit organizations and
37 authorized by this chapter, where payment of such persons is allowed,
38 and to regulate and establish maximum limits for other expenses in

1 connection with such authorized activities, including but not limited
2 to rent or lease payments. However, the commissioner's powers and
3 duties granted by this subsection are discretionary and not mandatory.

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

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

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

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

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

1 NEW SECTION. **Sec. 3.** If any provision of this act or its
2 application to any person or circumstance is held invalid, the
3 remainder of the act or the application of the provision to other
4 persons or circumstances is not affected.

5 NEW SECTION. **Sec. 4.** This act is necessary for the immediate
6 preservation of the public peace, health, or safety, or support of the
7 state government and its existing public institutions, and takes effect
8 immediately.

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