Commerce & Gaming Committee

HB 2416

Brief Description: Concerning workers at gambling establishments participating as a player in gambling activities.

Sponsors: Representative Kirby.

Brief Summary of Bill

- Makes it a misdemeanor for certain employees of authorized gambling establishments to act as a player in a gambling activity at their place of employment.

- Includes exceptions to the prohibition for employees of tribal casinos and employees of bona fide charitable or nonprofit organizations.

Hearing Date: 1/16/18

Staff: Peter Clodfelter (786-7127).

Background:

The Gambling Commission (Commission) licenses and regulates gambling establishments. Among the licenses issued are licenses for businesses conducting social card games, including house-banked card games, as a commercial stimulant. The Commission also issues licenses to bona fide charitable or nonprofit organizations to conduct bingo games, raffles, amusement games, social card games, and to utilize punchboards and pull-tabs.

The Commission is also authorized to require licenses or permits of individual employees. Under the Commission's rules, certain card room employees and employees of charitable or nonprofit organizations conducting gambling activities must hold an individual license. Generally, the only employees who must hold an individual license exercise a material degree of control over the license or have duties such as collecting fees, dealing, supervising a card game or other card room employee, selling or redeeming chips, performing cashier or cage duties,

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observing dealers and card games to detect cheating, taking part in the operation of a card game, or managing or supervising other employees or gambling activities authorized under the license.

Separate from Commission-regulated gambling establishments, federally recognized Indian tribes in the state operate casinos with class III gaming in accordance with compacts entered between tribes and the state pursuant to the federal Indian Gaming Regulatory Act (IGRA). Under IGRA, class III gaming includes lotteries, card games like blackjack and baccarat, as well as other house-banked games like craps and roulette.

Unless a tribal-state compact assigns responsibility to an entity other than a tribe, the licensing authority for class III gaming is a tribal authority. Employees may work at both a state-licensed facility as well as a tribal gaming facility.

A misdemeanor is punishable by imprisonment in the county jail for a maximum term fixed by the court of not more than 90 days, or by a fine in an amount fixed by the court of not more than $1,000, or by both imprisonment and fine.

Summary of Bill:

It is made unlawful for a person to participate as a player in any gambling conducted by an operator of an authorized gambling activity if the person is employed by the operator of the gambling activity and has employment-related duties that require the person to hold an individual license or permit issued by the Gambling Commission. A violation is punishable as a misdemeanor.

However, the new prohibition does not apply to a person who is employed by a federally recognized Indian tribe or an entity owned by a federally recognized Indian tribe that conducts class III gaming in accordance with a compact between the tribe and the state. Additionally, the new prohibition does not apply to a person who is employed by a bona fide charitable or nonprofit organization that conducts authorized gambling activities and who participates as a player in gambling conducted by the bona fide charitable or nonprofit organization.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.