

WSR 23-11-108
PERMANENT RULES
GAMBLING COMMISSION

[Filed May 19, 2023, 1:19 p.m., effective June 19, 2023]

Effective Date of Rule: Thirty-one days after filing.

Purpose: The new and amended rules will allow for the purchase of chips using debit cards. In addition to changing the rule related to the process for selling and redeeming chips, rule amendments are necessary to define debit card, expand the definition of "gambling equipment," set limits on withdrawals, and generally change the way that accounting for table inventory and conducting and concluding the count are done and recorded.

Citation of Rules Affected by this Order: New WAC 230-06-006, 230-15-151, 230-15-506 and 230-15-507; and amending WAC 230-03-200, 230-06-035, 230-15-150, 230-15-280, 230-15-500, 230-15-505, 230-15-585, 230-15-615, and 230-15-620.

Statutory Authority for Adoption: RCW 9.46.070.

Adopted under notice filed as WSR 23-07-104 on March 20, 2023.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at the Request of a Nongovernmental Entity: New 0, Amended 1, Repealed 0.

Number of Sections Adopted on the Agency's own Initiative: New 4, Amended 8, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: May 19, 2023.

Lisa C. McLean
Legislative and Policy Manager

OTS-4381.1

AMENDATORY SECTION (Amending WSR 21-21-079, filed 10/18/21, effective 11/18/21)

WAC 230-03-200 Defining "gambling equipment." "Gambling equipment" means any device, gambling-related software, expendable supply, or any other paraphernalia used as a part of gambling or to make gambling possible. "Gambling equipment" includes, but is not limited to:

- (1) Amusement games;
- (2) Punch boards and pull-tabs;
- (3) Devices for dispensing pull-tabs;

(4) Electronic devices for conducting, facilitating, or accounting for the results of gambling activities including, but not limited to:

- (a) Components of a tribal lottery system;

- (b) Electronic devices for reading and displaying outcomes of gambling activities; and
- (c) Accounting systems that are a part of, or directly connected to, a gambling system including, but not limited to:
- (i) Bet totalizers; or
 - (ii) Progressive jackpot meters; or
 - (iii) Keno systems;
- (5) Bingo equipment;
- (6) Electronic raffle systems;
- (7) Devices and supplies used to conduct card games, fund-raising events, recreational gaming activities, or Class III gaming activities, as defined in the Indian Gaming Regulatory Act at U.S.C. 25 chapter 29 § 2703 and in tribal-state compacts including, but not limited to:
- (a) Gambling chips;
 - (b) Cards;
 - (c) Dice;
 - (d) Card shuffling devices;
 - (e) Graphical game layouts for table games;
 - (f) Ace finders or no-peek devices;
 - (g) Roulette wheels;
 - (h) Keno equipment; and
 - (i) Tables manufactured exclusively for gambling purposes;
- (8) Debit card reading devices used at gambling tables to sell chips to players.

[Statutory Authority: RCW 9.46.070. WSR 21-21-079, § 230-03-200, filed 10/18/21, effective 11/18/21; WSR 06-07-157 (Order 457), § 230-03-200, filed 3/22/06, effective 1/1/08.]

OTS-4370.1

NEW SECTION

WAC 230-06-006 Defining debit card. "Debit card," as used in this title, means a physical payment card linked to and issued by a bank, mutual savings bank, or credit union regulated by the department of financial institutions or any federally regulated commercial institution, for the purposes of making payments for purchases or services electronically in place of cash. Debit cards must be linked to checking or savings accounts with funds on deposit and available to be withdrawn.

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OTS-4382.1

AMENDATORY SECTION (Amending WSR 07-21-116, filed 10/22/07, effective 1/1/08)

WAC 230-06-035 Credit, loans, or gifts prohibited. (1) Licensees, employees, or members must not offer or give credit, loans, or gifts to any person playing in an authorized gambling activity or which makes it possible for any person to play in an authorized gambling activity.

(2) Gifts are items licensees give to their customers. Licensees must not connect these gifts to gambling activities we regulate unless the gifts are:

- (a) Gambling promotions; or
- (b) Transportation services to and from gambling activities; or
- (c) Free or discounted food, drink, or merchandise which:
 - (i) Costs less than (~~five hundred dollars~~) \$500 per individual item; and
 - (ii) Must not be traded back to you for cash; and
 - (iii) Must not give a chance to participate further in an authorized gambling activity.

(3) You must collect the price required to participate in the gambling activity in full before allowing someone to participate. (~~Licensees must collect~~) Authorized payment methods include cash, check, gift certificate, gift card, or (~~electronic point-of-sale bank transfer~~) debit card.

(4) If the price paid for the opportunity to play a punch board or pull-tab series is (~~ten dollars~~) \$10 or less, licensees may collect the price immediately after the play is completed.

(5) If a charitable or nonprofit organization has a regular billing system for all of the activities of its members, it may use its billing system in connection with the playing of any licensed activities as long as the organization limits play to full and active members of its organization.

(6) Charitable or nonprofit organizations may allow credit cards, issued by a state regulated or federally regulated financial institution, for payment to participate in raffles.

[Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-06-035, filed 10/22/07, effective 1/1/08; WSR 06-17-132 (Order 601), § 230-06-035, filed 8/22/06, effective 1/1/08.]

OTS-4383.1

AMENDATORY SECTION (Amending WSR 07-10-034, filed 4/24/07, effective 1/1/08)

WAC 230-15-150 Selling and redeeming chips. (~~(1)~~) Card game licensees must:

- (~~(a)~~) (1) Sell chips and redeem chips at the same value; and
- (~~(b)~~) (2) Sell chips for cash at gambling tables. Provided that house-banked card game licensees may allow players to use debit cards to purchase chips at house-banked card game tables in accordance with WAC 230-15-506 and 230-15-507; and

~~((e))~~ (3) Keep all funds from selling chips separate and apart from all other money received; and

~~((d))~~ (4) Not extend credit to a person purchasing chips, including to card room employees playing cards ~~(; and~~

~~(2) Licensees may accept checks, if the checks meet the requirements of WAC 230-06-005. They must:~~

~~(a) Deposit any check retained after the close of business no later than the second banking day after the close of business. Checks deposited to an armored car service no later than the second banking day after the close of business meet this requirement; and~~

~~(b) Count each transaction for the purchase of chips as a separate transaction. (Example: They must not allow a player's check to be altered after it is exchanged for chips.)~~

[Statutory Authority: RCW 9.46.070. WSR 07-10-034 (Order 611), § 230-15-150, filed 4/24/07, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 07-09-033, filed 4/10/07, effective 1/1/08)

WAC 230-15-280 Surveillance requirements for house-banked card games. House-banked card game licensees must use a closed circuit television system (CCTV) to closely monitor and record all gambling activities and areas, including, at least:

(1) Each table, including:

- (a) Cards; and
- (b) Wagers; and
- (c) Chip tray; and
- (d) Drop box openings; and
- (e) Table number; and
- (f) Card shoe; and
- (g) Shuffling devices; and
- (h) Players; and
- (i) Dealers; and
- (j) Debit card reading devices at gambling tables; and

(2) The designated gambling areas; and

(3) The cashier's cage, including:

- (a) Outside entrance; and
 - (b) Fill/credit dispenser; and
 - (c) Customer transactions; and
 - (d) Cash and chip drawers; and
 - (e) Vault/safe; and
 - (f) Storage cabinets; and
 - (g) Fill or credit transactions; and
 - (h) Floor; and
- (4) The count room, including:

- (a) The audio; and
 - (b) Count table; and
 - (c) Floor; and
 - (d) Counting devices; and
 - (e) Trolley; and
 - (f) Drop boxes; and
 - (g) Storage shelves/cabinets; and
 - (h) Entrance and exit; and
- (5) The movement of cash, gambling chips, and drop boxes; and

(6) Entrances and exits to the card room.

[Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-280, filed 4/10/07, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 07-09-033, filed 4/10/07, effective 1/1/08)

WAC 230-15-500 Accounting for table inventory. (1) House-banked card game licensees must establish procedures to ensure proper accounting for chips and coins stored at gambling tables, known as the "table inventory."

(2) Licensees must not add or remove chips or coins from the table inventory except:

(a) In exchange for cash from players; or

(b) In exchange for debit card transactions from players according to WAC 230-15-506; or

(c) To pay winning wagers and collect losing wagers made at the gambling table; or

~~((e))~~ (d) In exchange for chips received from a player having an equal total face value (known as "coloring up" or "coloring down"); or

~~((d))~~ (e) In compliance with fill and credit procedures.

[Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-500, filed 4/10/07, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 14-11-021, filed 5/9/14, effective 7/1/14)

WAC 230-15-505 Selling gambling chips to players. House-banked card game licensees must accurately account for all chips, debit card transaction receipts, and cash when they sell chips to players. Licensees must sell chips only at the gambling table.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. WSR 14-11-021 (Order 699), § 230-15-505, filed 5/9/14, effective 7/1/14. Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-505, filed 4/10/07, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 07-09-033, filed 4/10/07, effective 1/1/08)

WAC 230-15-585 Using drop boxes. (1) House-banked card game licensees must use a drop box to collect all cash, chips, coins, debit card transaction receipts, requests for fill, fill slips, requests for credit, credit slips, and table inventory forms.

(2) The dealer or the floor supervisor must deposit these items in the drop box.

[Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-585, filed 4/10/07, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 18-23-074, filed 11/19/18, effective 1/1/19)

WAC 230-15-615 Conducting the count. (1) All house-banked card room licensees must have a three person count team except as set forth in subsections (2) and (3) of this section. The three person count team must conduct the count as follows:

(a) The contents of drop boxes must not be combined before the count team separately counts and records the contents of each box; and

(b) As each drop box is placed on the count table, a count team member must announce the game, table number, and shift, if applicable, loudly enough to be heard by all persons present and to be recorded by the audio recording equipment; and

(c) A count team member must empty the contents onto the count table; and

(d) Immediately after the contents are emptied onto the count table, a count team member must display the inside of the drop box to the closed circuit television camera, and show it to at least one other count team member to confirm that all contents of the drop box have been removed. A count team member must then lock the drop box and place it in the drop box storage area; and

(e) Count team member(s) must separate the contents of each drop box into separate stacks on the count table by denominations of coin, chips, and (~~currency~~) cash and by type of form, record, or document; and

(f) At least two count team members must count, either manually or mechanically, each denomination of coin, chips, (~~and currency~~) cash, and debit card transaction receipts separately and independently. Count team members must place individual bills and coins of the same denomination and debit card transaction receipts on the count table in full view of the closed circuit television cameras, and at least one other count team member must observe and confirm the accuracy of the count orally or in writing; and

(g) As the contents of each drop box are counted, a member of the count team must record the total amount of coin, chips, (~~and currency~~) cash, and debit card transaction receipts counted (the drop) on the master games report; and

(h) If a cage cashier has recorded the opener, closer, fill slips, and credit slips on the master game report before the count, a count team member must compare the series numbers and totals recorded on the master game report to the fill slips, credit slips, and table inventory slips removed from the drop boxes, confirm the accuracy of the totals, and must record, by game and shift, the totals we require on the master game report. Otherwise, the count team must complete all required information on the master game report; and

(i) The accounting department may complete the win/loss portions of the master game report independently from the count team if this is properly documented in the approved internal controls.

(2) The two person count team for licensees with card game gross gambling receipts of less than \$5 million in their previous fiscal year must conduct the count as follows:

(a) The contents of drop boxes must not be combined before the count team separately counts and records the contents of each box; and

(b) As each drop box is placed on the count table, a count team member must announce the game, table number, and shift, if applicable, loudly enough to be heard by all persons present and to be recorded by the audio recording equipment; and

(c) A count team member must empty the contents onto the count table; and

(d) Immediately after the contents are emptied onto the count table, a count team member must display the inside of the drop box to the closed circuit television camera, and show it to at least one other count team member to confirm that all contents of the drop box have been removed. A count team member must then lock the drop box and place it in the drop box storage area; and

(e) A count team member must separate the contents of each drop box into separate stacks on the count table by denominations of coin, chips, and (~~currency~~) cash and by type of form, record, or document; and

(f) One count team member must count, either manually or mechanically, each denomination of coin, chips, (~~and currency~~) cash, and debit card transaction receipts separately and independently. The count team member must place individual bills and coins of the same denomination and debit card transaction receipts on the count table in full view of the closed circuit television cameras, and the other count team member must observe and confirm the accuracy of the count orally or in writing; and

(g) As the contents of each drop box are counted, a member of the count team must record the total amount of coin, chips, (~~and currency~~) cash, and debit card transaction receipts counted (the drop) on the master games report; and

(h) As the count is occurring, a surveillance employee must record in the surveillance log the total chip (~~and currency count of~~) cash, and debit card transaction receipts counted for each drop box and the announcement by the count team of the combined dollar count of all drop boxes; and

(i) If a cage cashier has recorded the opener, closer, fill slips, and credit slips on the master game report before the count, a count team member must compare the series numbers and totals recorded on the master game report to the fill slips, credit slips, and table inventory slips removed from the drop boxes, confirm the accuracy of the totals, and must record, by game and shift, the totals we require on the master game report. Otherwise, the count team must complete all required information on the master game report; and

(j) The accounting department may complete the win/loss portions of the master game report independently from the count team if this is properly documented in the approved internal controls.

(3) The two person count team for licensees with card game gross gambling receipts between \$5 million and \$15 million in their previous fiscal year and use a currency counter must conduct the count as follows:

(a) The currency counter to be used must meet the following requirements:

(i) Automatically provides two separate counts of the funds at different stages in the count process. If the separate counts are not in agreement during the count process and the discrepancy cannot be resolved immediately, the count must be suspended until a third count team member is present to manually complete the count as set forth in

subsection (1) of this section until the currency counter is fixed; and

(ii) Displays the total bill count and total dollar amount for each drop box on a screen, which must be recorded by surveillance.

(b) Immediately prior to the count, the count team must verify the accuracy of the currency counter with previously counted currency for each denomination actually counted by the currency counter to ensure the counter is functioning properly. The test results must be recorded on the table games count documentation and signed by the two count team members performing the test; and

(c) The currency counter's display showing the total bill count and total dollar amount of each drop box must be recorded by surveillance during the count; and

(d) The contents of drop boxes must not be combined before the count team separately counts and records the contents of each box; and

(e) As each drop box is placed on the count table, a count team member must announce the game, table number, and shift, if applicable, loudly enough to be heard by all persons present and be recorded by the audio recording equipment; and

(f) A count team member must empty the contents onto the count table; and

(g) Immediately after the contents are emptied onto the count table, a count team member must display the inside of the drop box to the closed circuit television camera, and show it to the other count team member to confirm that all contents of the drop box have been removed. A count team member must then lock the drop box and place it in the drop box storage area; and

(h) Count team member(s) must combine all ~~((currency))~~ cash into one stack and separate the contents of each drop box into separate stacks on the count table by denomination of coin and chips, by type of form, record, or document; and

(i) Count team members must place all of the ~~((currency))~~ cash from a drop box into the currency counter which will perform an aggregate count by denomination of all of the currency collected from the drop box; and

(j) One count team member must count each denomination of coin ~~((and)),~~ chips, and debit card transaction receipts separately and independently by placing coins and chips of the same denomination on the count table in full view of the closed circuit television cameras, and the other count team member must observe and confirm the accuracy of the count orally or in writing; and

(k) As the contents of each drop box are counted, a member of the count team must record the total amount of coin, chips, ~~((and currency))~~ cash, and debit card transaction receipts counted (the drop) on the master games report; and

(l) As the count is occurring, a surveillance employee must record in the surveillance log the currency counter accuracy information in (b) of this subsection, currency verification amount, debit card transaction receipt amount, total bill and dollar count of each drop box and the announcement by the count team of the combined dollar count of all drop boxes; and

(m) If a cage cashier has recorded the opener, closer, fill slips, and credit slips on the master game report before the count, a count team member must compare the series numbers and totals recorded on the master game report to the fill slips, credit slips, and table inventory slips removed from the drop boxes, confirm the accuracy of the totals, and must record, by game and shift, the totals we require

on the master game report. Otherwise, the count team must complete all required information on the master game report; and

(n) The accounting department may complete the win/loss portions of the master game report independently from the count team if this is properly documented in the approved internal controls.

[Statutory Authority: RCW 9.46.070. WSR 18-23-074, § 230-15-615, filed 11/19/18, effective 1/1/19; WSR 07-09-033 (Order 608), § 230-15-615, filed 4/10/07, effective 1/1/08.]

AMENDATORY SECTION (Amending WSR 14-11-021, filed 5/9/14, effective 7/1/14)

WAC 230-15-620 Concluding the count. (1) After the count team finishes their count, the cage cashier or accounting department employee must verify the contents of the drop boxes.

(2) In the presence of the count team and before looking at the master game report, the verifier must recount the cash, coin, chips, and debit card transaction receipts either manually or mechanically.

(3) The verifier must sign the master game report verifying that the cash (~~count is~~) and debit card transaction receipt counts are accurate.

(4) Each count team member must sign the report attesting to the accuracy of the information recorded.

(5) After the report is signed, the master game report must be taken directly to the accounting department, along with the debit card transaction receipts, requests for fills, the fill slips, the requests for credit, the credit slips, and the table inventory slips removed from drop boxes. The cage cashiers must not be allowed access to any of these records.

[Statutory Authority: RCW 9.46.070 and 9.46.0282. WSR 14-11-021 (Order 699), § 230-15-620, filed 5/9/14, effective 7/1/14. Statutory Authority: RCW 9.46.070. WSR 07-09-033 (Order 608), § 230-15-620, filed 4/10/07, effective 1/1/08.]

OTS-4371.2

NEW SECTION

WAC 230-15-151 Accepting checks in exchange for chips at non-house-banked card games. Nonhouse-banked card game licensees may accept checks for the purchase of chips if the checks meet the requirements of WAC 230-06-005. Licensees must:

(1) Deposit any check retained after the close of business no later than the second banking day after the close of business. Checks deposited to an armored car service no later than the second banking day after the close of business meet this requirement; and

(2) Count each transaction for the purchase of chips as a separate transaction. Licensees must not allow a player's check to be altered after it is exchanged for chips.

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NEW SECTION

WAC 230-15-506 Using debit cards to purchase chips on house-banked card games. House-banked card game licensees may allow a player to use a debit card to purchase chips at house-banked card games under the following conditions:

- (1) The licensee must use approved debit card reading devices to process the debit card transactions; and
- (2) The debit card transaction must be initiated at an approved gambling table; and
- (3) A supervisor must be present at the gambling table during the debit card transaction; and
- (4) The dealer or supervisor must examine the player's identification to confirm the player's identity. The dealer or supervisor must verify that the name on the identification matches the name on the debit card; and
- (5) Verify the player is not on the state-wide self-exclusion list; and
- (6) Not execute a debit card transaction upon notification from the player's financial institution that the available funds in the player's account associated with the debit card are less than the amount requested by the player; and
- (7) A single debit card transaction is limited to \$500 or less. Furthermore, aggregated debit card transactions at gambling tables for a single player cannot exceed \$2,500 during a 24-hour period; and
- (8) The licensee must prominently post all fees charged by the gaming establishment or system provider associated with the transfer at the gambling table or on the approved debit card reading device; and
- (9) The debit card transaction receipt must be deposited into the drop box attached to the gambling table; and
- (10) Licensees are required to post at all tables in which the debit transaction may be completed signage with the problem gambling helpline and how to register for the state-wide self-exclusion program at the licensee's establishment. The signage must be in at least the same font as all other signage on the table; and
- (11) Conspicuously display on or at the gaming device or game, and on a printed item given to the patron, notice that funds may be approved for transfer from sources other than the account associated with the patron's debit instrument, as determined by the patron's financial institution; and
- (12) Licensees must submit internal controls to us in the format we require.

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NEW SECTION

WAC 230-15-507 Debit card reading devices used on house-banked card games. House-banked card game licensees may use approved debit

card reading devices on house-banked card games to sell chips to players in accordance with WAC 230-15-506. Licensees must use debit card reading devices that:

- (1) Are approved and documented in internal controls; and
- (2) Execute all transactions in accordance with all applicable state and federal electronic funds transfer requirements including, receipting and fee disclosure requirements; and
- (3) Provide real-time accounting reports for each debit card reading device to include patron transaction history by date and time; and
- (4) Do not interfere with gaming system interfaces and device operations; and
- (5) Do not accept signature debit, credit, and EBT cards; and
- (6) Are not used for the purchase of live gaming vouchers that can be used for other authorized gambling activities at the card room; and
- (7) Do not execute a transaction for funds that exceed the available amount of funds from the linked bank account; and
- (8) Provide a daily monetary transfer limit per patron that does not exceed the limits in WAC 230-15-506. A fee charged by the gaming establishment or system provider associated with a transfer does not contribute to the transfer limit; and
- (9) Employ data encryption that meets or exceeds current industry standards for all data that is transmitted.

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