

HOUSE BILL REPORT

HB 2382

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to gambling.

Brief Description: Changing gambling provisions.

Sponsors: Representatives Veloria, Lisk, Heavey, Horn,
Anderson, Schmidt, King, Chandler, Conway and Springer.

Brief History:

Reported by House Committee on:
Commerce & Labor, February 4, 1994, DP.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 9 members:
Representatives Heavey, Chair; G. Cole, Vice Chair; Lisk,
Ranking Minority Member; Chandler, Assistant Ranking
Minority Member; Conway; Horn; King; Springer and Veloria.

Staff: Jim Kelley (786-7166).

Background: In its final report to the Legislature, the Task Force on Washington State Gambling Policy included a recommendation that the reporting requirements for commercial stimulant operators should be streamlined, to the extent that this can be accomplished consistently with the public policy of the state toward gambling. The task force agreed to the following description of the state's public policy on gambling: "The public policy of the state of Washington on gambling is to keep the criminal element out of gambling and to promote the social welfare of the people by limiting the nature and scope of gambling activities and by strict regulation and control."

The gambling code provides that an activity is operated as a commercial stimulant only when it is an incidental activity operated in connection with, and incidental to, an established business, with the primary purpose of increasing the volume of sales of food or drink for consumption on the premises. The commission has the authority to establish guidelines and criteria for applying this definition.

Card rooms may be operated by either commercial stimulant or bona fide charitable or nonprofit operators. The operators'

gross receipts are generated through collection for time, not through the level of wagering at the tables. Card rooms may charge up to two dollars per half hour of playing time.

Summary of Bill: The sections of the gambling code defining "commercial stimulant" and providing the maximum fee for play at a card room are amended.

An activity is operated as a commercial stimulant only when it is an activity operated in connection with an established business, with the purpose of increasing the volume of sales of food or drink for consumption on the premises.

Card rooms may charge up to three dollars per half hour of playing time.

Fiscal Note: Requested January 25, 1994.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The increase in the card room fee is merely to keep up with inflation. The commercial stimulant definition is very important. Washington has 2,300 commercial stimulant operators. Each one has to document food and liquor sales versus gambling revenue. This is burdensome on both the operators and the commission.

Testimony Against: None.

Witnesses: (In favor) Representative Velma Veloria, prime sponsor; Frank Miller, Gambling Commission; Fred Steiner, Diamond Lils Restaurant; Dave Pardey, Skyway Park Bowl; and George Teeny, New Phoenix Restaurant.