

# HOUSE BILL REPORT

## SB 5241

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As Passed House  
April 15, 1993

**Title:** An act relating to gambling.

**Brief Description:** Making certain powers and duties of the gambling commission permissive.

**Sponsors:** Senators Vognild, Newhouse, Moore and Prince.

**Brief History:**

Reported by House Committee on:  
Commerce & Labor, March 24, 1993, DPA;  
Passed House - Amended, April 15, 1993, 96-0.

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**HOUSE COMMITTEE ON COMMERCE & LABOR**

**Majority Report:** Do pass as amended. Signed by 8 members: Representatives Heavey, Chair; Lisk, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Conway; Horn; King; Springer; and Veloria.

**Minority Report:** Do not pass. Signed by 1 member: Representative G. Cole, Vice Chair.

**Staff:** Jim Kelley (786-7166).

**Background:** The gambling code provides that the Gambling Commission has certain powers and duties, including: 1) to regulate and establish maximum limitations on the income derived from bingo; 2) to establish and regulate maximum limits on the salaries or wages that may be paid to persons employed in connection with gambling activities conducted by bona fide charitable or nonprofit organizations; and 3) to establish maximum limits for expenses incurred in connection with gambling activities conducted by charitable and nonprofit organizations.

**Summary of Bill:** The Gambling Commission's authority to establish maximum limits on: income derived from bingo; the compensation paid to persons employed in connection with gambling activities conducted by bona fide charitable or nonprofit organizations; and expenses incurred in connection with authorized gambling activities conducted by bona fide charitable and nonprofit organizations is deemed discretionary and not mandatory.

**Fiscal Note:** Not requested.

**Effective Date:** The bill contains an emergency clause and takes effect June 1, 1993.

**Testimony For:** This bill is not controversial, but it is very important. For years the Gambling Commission has annually reviewed the income earned by bingo operators and the income and expenses of nonprofit and charitable organizations operating gambling activities. One commissioner insists that the Gambling Commission's authority to set specific limits and establish appropriate income levels is mandatory. Therefore, this particular commissioner abstains from all votes authorizing a license for nonprofit and charitable organizations. A final resolution of this issue is needed.

**Testimony Against:** None.

**Witnesses:** Bill Fritz and John Beadle, Washington Charitable and Civic Gaming Association (in favor); and Frank Miller, Director, Washington State Gambling Commission (in favor).