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HOUSE BILL 1905

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By Representatives Anderson, R. Johnson, Orr, King, Campbell, Grant, Hansen, Basich, G. Cole, Thibaudeau, Appelwick, Brumsickle, Brough, Eide and Rayburn

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1 AN ACT Relating to charitable gaming; amending RCW 9.46.070 and  
2 9.46.285; adding a new section to chapter 9.46 RCW; adding a new  
3 chapter to Title 9 RCW; and prescribing penalties.

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

5 NEW SECTION. **Sec. 1.** Charitable organizations are authorized to  
6 participate in charitable gaming events when the events are conducted  
7 by a gaming management company in accordance with this chapter and  
8 commission rules.

9 NEW SECTION. **Sec. 2.** (1) "Charitable gaming event," as used in  
10 this chapter, means a gaming event conducted by a licensed gaming  
11 management company on behalf of a charitable organization that offers  
12 the games of blackjack, roulette, craps, and other traditional table  
13 games as may be authorized by the commission. The use of electronic or  
14 mechanical facsimiles of any table game or any gambling device as  
15 defined in this chapter is strictly prohibited.

16 (2) "Charitable organization" means a bona fide charitable or  
17 nonprofit organization as defined in RCW 9.46.0209.

1 (3) "Commission" means the Washington state gambling commission  
2 created in RCW 9.46.040.

3 (4) "Gaming employee" means a person employed in the operation or  
4 management of a charitable gaming event. "Gaming employee" includes  
5 gaming operation managers and assistant managers, accounting personnel,  
6 surveillance personnel, cashier supervisors, dealers or croupiers, box  
7 men, floormen, pit bosses, shift bosses, cage personnel, collection  
8 personnel, gaming consultants, and any other person whose employment  
9 duties require or authorize access to restricted areas of the gaming  
10 facility not otherwise open to the public.

11 (5) "Gaming management company" means a business entity that  
12 provides gaming event management, equipment, and gaming employees for  
13 permitted charitable gaming events.

14 (6) "Gaming account" means an account established in accordance  
15 with commission rules by a permittee at a recognized financial  
16 institution for the exclusive purpose of depositing the proceeds from  
17 charitable gaming events to the account and making authorized  
18 disbursements from the account.

19 (7) "Gaming facility" means a facility, premises, room, or rooms  
20 licensed by the commission and owned, leased, or rented by a gaming  
21 management company.

22 (8) "Gaming services" means the providing of goods or services in  
23 connection with the operation of charitable gaming events in a gaming  
24 facility, including equipment, gaming supplies, maintenance, or  
25 security services for the gaming facility.

26 (9) "Gaming station" means one gaming table.

27 (10) "House rules" means rules adopted by the gaming management  
28 company regarding the conduct of players and management of the event in  
29 accordance with commission rules.

30 NEW SECTION. **Sec. 3.** (1) The commission is authorized to issue  
31 licenses to operate gaming facilities. A business must be a gaming  
32 management company to qualify for a license. A gaming management  
33 company making application shall provide the following information:  
34 (a) All jurisdictions in which the gaming management company is  
35 incorporated to do business, along with evidence that the company is in  
36 good standing in each such jurisdiction; (b) evidence of expertise in  
37 managing casino gaming activities on behalf of bona fide charitable or  
38 nonprofit organizations; (c) evidence that the gaming management

1 company would provide quality services; (d) verification that  
2 directors, officers, shareholders, or other persons having a financial  
3 interest in the company have not been convicted in any jurisdiction of  
4 a crime related to narcotics, acts of dishonesty, fraud, robbery, or  
5 forgery; (e) verification that no directors, officers, shareholders, or  
6 other persons having a financial interest in the gaming management  
7 company have had a judgment entered against them in a civil court  
8 proceeding that is based in whole or in part on fraud, deceit,  
9 misrepresentation, or similar conduct; (f) evidence of financial  
10 eligibility; (g) identification of the facility or plans of the  
11 facility intended for use in conducting gaming activities under the  
12 license; and (h) other information about the gaming management company  
13 that the commission may require by rule.

14 (2) The commission may use a competitive bidding process adopted by  
15 commission rules for selecting gaming management companies.

16 (3) The commission shall use the following criteria in evaluating  
17 license applications: (a) Expertise in managing gaming activities on  
18 behalf of charitable or nonprofit organizations; (b) likelihood of  
19 providing high quality services; (c) likelihood of maintaining  
20 financial stability and integrity; and (d) quality of the facility or  
21 plans of the facility proposed for use in conducting gaming activities  
22 under the license.

23 (4) The commission may not issue more than two licenses for gaming  
24 facilities for each congressional district. A gaming management  
25 company may not operate a gaming facility without a license from the  
26 commission.

27 (5) The commission shall evaluate the merits of applications and  
28 inform applicants in writing of its decision.

29 NEW SECTION. **Sec. 4.** (1) A charitable organization may apply to  
30 the commission for a permit to hold a charitable gaming event. If an  
31 application is approved, the commission shall assign the permittee a  
32 date or dates for a charitable gaming event. The assignment shall be  
33 made to a gaming management company and gaming facility in the district  
34 in which the organization has its principal offices or conducts  
35 business. However, if there are no available dates in the appropriate  
36 district in which the permittee has its principal office or does  
37 business, the commission may assign the permittee to a different  
38 district. The commission may attach terms and conditions to the permit

1 which the commission deems necessary. A permit is not transferrable or  
2 assignable.

3 (2) A charitable organization may not obtain more than three  
4 permits a year to participate in charitable gaming events. Each permit  
5 may provide for up to three consecutive days of operation.

6 (3) If a permittee violates the terms of its permit, the commission  
7 may suspend or revoke the permit. While a permit is suspended, the  
8 commission may not consider other applications from the permittee to  
9 hold a charitable gaming event.

10 (4) The commission shall appoint an advisory committee of no more  
11 than ten members who shall be representative of the types of charitable  
12 organizations eligible to obtain permits. The committee shall advise  
13 the commission about criteria for determining priorities in permitting  
14 and for assigning permits when the number of applicants exceeds the  
15 number of available charitable gaming events.

16 NEW SECTION. **Sec. 5.** The following requirements shall be observed  
17 with respect to all charitable gaming events:

18 (1) No more than thirty-one gaming stations may operate at any one  
19 time;

20 (2) Single wagers may not exceed twenty-five dollars;

21 (3) Operations are prohibited between 2:00 a.m. and 12:00 p.m. but  
22 shall not exceed an annual average of eighty hours per week;

23 (4) The permittee for a charitable gaming event shall provide at  
24 least five volunteers who shall perform functions as specified by the  
25 commission. At least two of the volunteers shall be trained in  
26 accordance with section 7 of this act;

27 (5) A gaming revenue report from a charitable gaming event must be  
28 completed by the permittee within twenty-four hours after the  
29 completion of the event and submitted to the commission within seven  
30 days of the conclusion of the charitable gaming event;

31 (6) All winnings shall be distributed to players at and during the  
32 operation of the charitable gaming event;

33 (7) The gaming management company shall keep a separate record for  
34 each gaming event of the funds taken in and paid out at the event and  
35 other information as required by the commission;

36 (8) All records of the gaming management company shall be available  
37 for immediate review upon request by the commission. Failure to

1 provide the records is grounds for summary suspension of all licenses  
2 held by the gaming management company;

3 (9) Persons under the age of twenty-one may not be permitted in a  
4 gaming facility or as a participant in the operation or management of  
5 a charitable gaming event;

6 (10) Alcoholic beverages are prohibited in a gaming facility;

7 (11) A gaming employee may not participate as a player in a gaming  
8 facility in which the gaming employee is employed;

9 (12) House rules, as adopted by the gaming management company in  
10 accordance with commission rules, shall be enforced; and

11 (13) Other rules that the commission may require shall be enforced.

12 NEW SECTION. **Sec. 6.** The revenues from a charitable gaming event  
13 shall be distributed as follows:

14 (1) A fee of eight and one-half percent of the net win shall be  
15 remitted to the department of revenue and shall be deposited in the  
16 general fund, except that twenty-three and seven-tenths percent of the  
17 fee thereby collected shall be distributed to the local law enforcement  
18 agencies in the general purpose governmental jurisdictions where the  
19 gaming facility is located;

20 (2) A fee of one and one-half percent of the net win shall be  
21 remitted to the department of revenue and shall be deposited in the  
22 gambling revolving fund created in RCW 9.46.100. Fees collected under  
23 this subsection shall be used solely to defray the costs of licensing  
24 gaming management companies;

25 (3) Forty-five percent of the net win, adjusted for cashier  
26 shortage or overage, shall be distributed to the permitted organization  
27 and deposited in a gaming account established by the permitted  
28 organization; and

29 (4) The balance, not to exceed forty-five percent of the net win,  
30 shall be retained by the gaming management company, from which the  
31 gaming management company shall pay for expenses related to the event,  
32 including salaries, wages, costs for equipment, room rental, and other  
33 fees.

34 NEW SECTION. **Sec. 7.** A permittee shall comply with all training  
35 requirements established by the commission. Training is mandatory for  
36 a permittee's volunteers to fill the positions of volunteer supervisor  
37 and banker. Training shall provide volunteers with information

1 regarding their rights as well as their roles and responsibilities at  
2 the charitable gaming event.

3 NEW SECTION. **Sec. 8.** (1) The gaming management company shall  
4 indemnify and hold harmless the charitable organization from claims,  
5 suits, damages, and expenses on account of an act or omission of the  
6 gaming management company or a servant, employee, officer, or director  
7 of the company.

8 (2) In the event of suspension or revocation of a license, death or  
9 incapacity of a licensee who is a sole proprietor, or receivership,  
10 bankruptcy, or assignment for benefit of creditors of the gaming  
11 management company, the following applies:

12 (a) The commission chair may approve temporary transfer of the  
13 registration of the gaming management company to a court-appointed or  
14 court-confirmed guardian, executor, administrator, receiver, trustee,  
15 or assignee for the benefit of the creditors, who may continue to  
16 operate the company's business. The transfer may be for a period not  
17 exceeding one hundred eighty days and may be extended for a further  
18 period not exceeding one hundred eighty days with the approval of the  
19 commission.

20 (b) If business is closed for any reason, the gaming management  
21 company shall immediately inform the commission. The commission may  
22 authorize closing for periods up to ninety days.

23 (3) A gaming management company shall submit to the commission  
24 annually an independent audited financial statement covering the  
25 company's activities for the previous business year. The financial  
26 statement shall be submitted no later than ninety days after the end of  
27 the business year. The commission shall by rule establish the content  
28 and format of the statement.

29 NEW SECTION. **Sec. 9.** No applicant, licensee, or permittee may  
30 give or provide, or offer to give or provide, directly or indirectly,  
31 to any public official or employee or agent of this state, or any of  
32 its agencies or political subdivisions, any compensation or reward, or  
33 share of the money or property paid or received through gambling  
34 activities, in consideration for obtaining any license, authorization,  
35 permission or privilege to participate in any gaming operations except  
36 as authorized by this chapter or rules adopted under it. Violation of  
37 this section is a felony for which a person, upon conviction, shall be

1 punished by imprisonment for not more than five years or a fine of not  
2 more than one hundred thousand dollars, or both.

3 NEW SECTION. **Sec. 10.** No applicant for a license from, nor  
4 licensee of, the commission, nor any operator of any gambling activity,  
5 shall, without advance approval of the commission, knowingly permit any  
6 person to participate in the management or operation of any activity  
7 for which a license from the commission is required or which is  
8 otherwise authorized by this chapter if that person:

9 (1) Has been convicted of, or forfeited bond upon a charge of, or  
10 pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud,  
11 willful failure to make required payments or reports to a governmental  
12 agency at any level, or filing false reports therewith, or of any  
13 similar offense or offenses, or of any crime, whether a felony or  
14 misdemeanor involving any gambling activity or physical harm to  
15 individuals or involving moral turpitude; or

16 (2) Has violated, failed, or refused to comply with provisions,  
17 requirements, conditions, limitations or duties imposed by this chapter  
18 or any rules adopted by the commission under this chapter, or has  
19 permitted, aided, abetted, caused, or conspired with another to cause  
20 any person to violate any of the provisions of this chapter or rules of  
21 the commission.

22 NEW SECTION. **Sec. 11.** Any person who conducts any activity for  
23 which a license or permit is required by this chapter, or by rule of  
24 the commission, without the required license issued by the commission  
25 is guilty of a class B felony. If any corporation conducts any  
26 activity for which a license is required by this chapter, or by rule of  
27 the commission, without the required license issued by the commission,  
28 it may be punished by forfeiture of its corporate charter, in addition  
29 to the other penalties in this section.

30 NEW SECTION. **Sec. 12.** Whoever, in any application for a license  
31 or permit or in any book or record required to be maintained by the  
32 commission or in any report required to be submitted to the commission,  
33 makes any false or misleading statement, or makes any false or  
34 misleading entry or willfully fails to maintain or make any entry  
35 required to be maintained or made, or who willfully refuses to produce  
36 for inspection by the commission, or its designee, any book, record, or

1 document required to be maintained or made by federal or state law, is  
2 guilty of a gross misdemeanor subject to the penalty in RCW 9A.20.021.

3 NEW SECTION. **Sec. 13.** Any person who knowingly causes, aids,  
4 abets, or conspires with another to cause any person to violate any  
5 provision of this chapter is guilty of a class B felony subject to the  
6 penalty in RCW 9A.20.021.

7 NEW SECTION. **Sec. 14.** Any person who knowingly causes, aids,  
8 abets, or conspires with another to cause any person to violate any  
9 rule adopted under this chapter is guilty of a gross misdemeanor  
10 subject to the penalty in RCW 9A.20.021.

11 NEW SECTION. **Sec. 15.** No person, association, or organization  
12 operating any gaming activity under this chapter who or which, directly  
13 or indirectly, may in the course of the operation:

14 (1) Employ any device, scheme, or artifice to defraud;

15 (2) Make any untrue statement of a material fact, or omit to state  
16 a material fact necessary in order to make the statement made not  
17 misleading, in the light of the circumstances under which the statement  
18 is made; or

19 (3) Engage in any act, practice or course of operation that would  
20 operate as a fraud or deceit upon any person.

21 Any person, association, or organization who violates this section  
22 is guilty of a gross misdemeanor subject to the penalty in RCW  
23 9A.20.021.

24 NEW SECTION. **Sec. 16.** District courts operating under the  
25 provisions of chapters 3.30 through 3.74 RCW, except municipal  
26 departments of such courts operating under chapter 3.46 RCW and  
27 municipal courts operating under chapter 3.50 RCW, have concurrent  
28 jurisdiction with the superior court to hear, try, and determine  
29 misdemeanor and gross misdemeanor violations of this chapter and  
30 violations of any ordinance passed under authority of this chapter by  
31 any city or town.

32 Municipal courts operating under chapter 35.20 or 3.50 RCW and  
33 municipal departments of the district court operating under chapter  
34 3.46 RCW have concurrent jurisdiction with the superior court to hear,



1 try, and determine violations of any ordinance passed under authority  
2 of this chapter by the city or town in which the court is located.

3 Notwithstanding any other provision of law, each of these courts  
4 shall have the jurisdiction and power to impose up to the maximum  
5 penalties provided for the violation of the ordinances adopted under  
6 the authority of this chapter. Review of the judgments of these courts  
7 shall be as provided in other criminal actions.

8 NEW SECTION. **Sec. 17.** No person shall intentionally obstruct or  
9 attempt to obstruct a public servant in the administration or  
10 enforcement of this chapter by using or threatening to use physical  
11 force or by means of any unlawful act. Any person who violates this  
12 section is guilty of a misdemeanor.

13 NEW SECTION. **Sec. 18.** No person participating in a gaming  
14 activity under this chapter shall in the course of such participation,  
15 directly or indirectly:

16 (1) Employ or attempt to employ any device, scheme, or artifice to  
17 defraud any other participant or any operator;

18 (2) Engage in any act, practice, or course of operation that would  
19 operate as a fraud or deceit upon any other participant or any  
20 operator;

21 (3) Engage in any act, practice, or course of operation while  
22 participating in a gambling activity with the intent of cheating any  
23 other participant or the operator to gain an advantage in the game over  
24 the other participant or operator; or

25 (4) Cause, aid, abet, or conspire with another person to cause any  
26 other person to violate subsections (1) through (3) of this section.

27 Any person violating this section is guilty of a gross misdemeanor  
28 subject to the penalty set forth in RCW 9A.20.021.

29 NEW SECTION. **Sec. 19.** Any person who works as an employee or  
30 agent or in a similar capacity for another person in connection with  
31 the operation of an activity for which a license is required under this  
32 chapter or by commission rule without having obtained the applicable  
33 license required by the commission under this chapter is guilty of a  
34 gross misdemeanor and shall, upon conviction, be punished by not more  
35 than one year in the county jail or a fine of not more than five  
36 thousand dollars, or both.

1        NEW SECTION.    **Sec. 20.**    In addition to any other penalty provided  
2 for in this chapter, every person, directly or indirectly controlling  
3 the operation of any gaming activity authorized by this chapter,  
4 including a director, officer, or manager of any association,  
5 organization, or corporation conducting the same, whether charitable,  
6 nonprofit, or profit, shall be liable, jointly and severally, for money  
7 damages suffered by any person because of any violation of this  
8 chapter, together with interest on any such amount of money damages at  
9 six percent a year from the date of the loss, and reasonable attorneys'  
10 fees. If the director, officer, or manager did not know the violation  
11 was taking place and had taken all reasonable care to prevent the  
12 violation from taking place, and if the director, officer, or manager  
13 establishes by a preponderance of the evidence that he or she did not  
14 have such knowledge and had exercised all reasonable care to prevent  
15 the violations, he or she is not liable under this section. Any civil  
16 action under this section may be considered a class action.

17        NEW SECTION.    **Sec. 21.**    Whoever knowingly transmits or receives  
18 gambling information by telephone, telegraph, radio, semaphore, or  
19 similar means, or knowingly installs or maintains equipment for the  
20 transmission or receipt of gambling information is guilty of a gross  
21 misdemeanor subject to the penalty set forth in RCW 9A.20.021. This  
22 section does not apply to information transmitted or received, or  
23 equipment installed or maintained, relating to activities authorized by  
24 this chapter or to any act or acts in furtherance of activities  
25 authorized by this chapter when conducted in compliance with this  
26 chapter and rules adopted under it.

27        For the purposes of this section, "gambling information" has the  
28 meaning given in RCW 9.46.0245.

29        NEW SECTION.    **Sec. 22.**    Proof of possession of any device used for  
30 professional gambling or any record relating to professional gambling  
31 specified in RCW 9.46.230 is prima facie evidence of possession thereof  
32 with knowledge of its character or contents.

33        NEW SECTION.    **Sec. 23.**    At any time within five years after any  
34 amount of fees, interest, or penalties which are imposed under this  
35 chapter, or rules adopted pursuant thereto, becomes due and payable,  
36 the attorney general, on behalf of the commission, may bring a civil

1 action in the courts of this state, any other state, or the United  
2 States to collect the delinquent amount, together with penalties and  
3 interest. An action may be brought whether or not the person owing the  
4 amount is at the time a licensee under this chapter.

5 If an action under this section is brought in the courts of this  
6 state, a writ of attachment may be issued and no bond or affidavit  
7 before its issuance is required. In all actions in this state, the  
8 records of the commission, or the appropriate county, city, or town,  
9 are prima facie evidence of the determination of the tax due or the  
10 amount of the delinquency.

11 NEW SECTION. **Sec. 24.** For the purpose of enforcing the provisions  
12 of this chapter, the commission has all of the enforcement powers  
13 granted to it in chapter 9.46 RCW for enforcing chapter 9.46 RCW and is  
14 the exclusive enforcement authority for this chapter.

15 NEW SECTION. **Sec. 25.** The penalty provisions of this chapter do  
16 not apply to chapter 9.46 RCW.

17 NEW SECTION. **Sec. 26.** A new section is added to chapter 9.46 RCW  
18 to read as follows:

19 The penalty provisions of this chapter do not apply to chapter 9.--  
20 RCW (sections 1 through 25 of this act).

21 **Sec. 27.** RCW 9.46.070 and 1987 c 4 s 38 are each amended to read  
22 as follows:

23 The commission shall have the following powers and duties:

24 (1) To authorize and issue licenses for a period not to exceed one  
25 year to bona fide charitable or nonprofit organizations approved by the  
26 commission meeting the requirements of this chapter and any rules and  
27 regulations adopted pursuant thereto permitting said organizations to  
28 conduct bingo games, raffles, amusement games, and social card games,  
29 to utilize punch boards and pull-tabs in accordance with the provisions  
30 of this chapter and any rules and regulations adopted pursuant thereto  
31 and to revoke or suspend said licenses for violation of any provisions  
32 of this chapter or any rules and regulations adopted pursuant thereto:  
33 PROVIDED, That the commission shall not deny a license to an otherwise  
34 qualified applicant in an effort to limit the number of licenses to be  
35 issued: PROVIDED FURTHER, That the commission or director shall not

1 issue, deny, suspend or revoke any license because of considerations of  
2 race, sex, creed, color, or national origin: AND PROVIDED FURTHER,  
3 That the commission may authorize the director to temporarily issue or  
4 suspend licenses subject to final action by the commission;

5 (2) To authorize and issue licenses for a period not to exceed one  
6 year to any person, association, or organization operating a business  
7 primarily engaged in the selling of items of food or drink for  
8 consumption on the premises, approved by the commission meeting the  
9 requirements of this chapter and any rules and regulations adopted  
10 pursuant thereto permitting said person, association, or organization  
11 to utilize punch boards and pull-tabs and to conduct social card games  
12 as a commercial stimulant in accordance with the provisions of this  
13 chapter and any rules and regulations adopted pursuant thereto and to  
14 revoke or suspend said licenses for violation of any provisions of this  
15 chapter and any rules and regulations adopted pursuant thereto:  
16 PROVIDED, That the commission shall not deny a license to an otherwise  
17 qualified applicant in an effort to limit the number of licenses to be  
18 issued: PROVIDED FURTHER, That the commission may authorize the  
19 director to temporarily issue or suspend licenses subject to final  
20 action by the commission;

21 (3) To authorize and issue licenses for a period not to exceed one  
22 year to any person, association, or organization approved by the  
23 commission meeting the requirements of this chapter and meeting the  
24 requirements of any rules and regulations adopted by the commission  
25 pursuant to this chapter as now or hereafter amended, permitting said  
26 person, association, or organization to conduct or operate amusement  
27 games in such manner and at such locations as the commission may  
28 determine;

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

35 (5) To establish a schedule of annual license fees for carrying on  
36 specific gambling activities upon the premises, and for such other  
37 activities as may be licensed by the commission, which fees shall  
38 provide to the commission not less than an amount of money adequate to  
39 cover all costs incurred by the commission relative to licensing under

1 this chapter and chapter 9.-- RCW (sections 1 through 25 of this act)  
2 and the enforcement by the commission of the provisions of this  
3 chapter, chapter 9.-- RCW (sections 1 through 25 of this act), and  
4 rules and regulations adopted pursuant thereto: PROVIDED, That all  
5 licensing fees shall be submitted with an application therefor and such  
6 portion of said fee as the commission may determine, based upon its  
7 cost of processing and investigation, shall be retained by the  
8 commission upon the withdrawal or denial of any such license  
9 application as its reasonable expense for processing the application  
10 and investigation into the granting thereof: PROVIDED FURTHER, That if  
11 in a particular case the basic license fee established by the  
12 commission for a particular class of license is less than the  
13 commission's actual expenses to investigate that particular  
14 application, the commission may at any time charge to that applicant  
15 such additional fees as are necessary to pay the commission for those  
16 costs. The commission may decline to proceed with its investigation  
17 and no license shall be issued until the commission has been fully paid  
18 therefor by the applicant: AND PROVIDED FURTHER, That the commission  
19 may establish fees for the furnishing by it to licensees of  
20 identification stamps to be affixed to such devices and equipment as  
21 required by the commission and for such other special services or  
22 programs required or offered by the commission, the amount of each of  
23 these fees to be not less than is adequate to offset the cost to the  
24 commission of the stamps and of administering their dispersal to  
25 licensees or the cost of administering such other special services,  
26 requirements or programs;

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

29 (7) To require that applications for all licenses contain such  
30 information as may be required by the commission: PROVIDED, That all  
31 persons (a) having a managerial or ownership interest in any gambling  
32 activity, or the building in which any gambling activity occurs, or the  
33 equipment to be used for any gambling activity, or (b) participating as  
34 an employee in the operation of any gambling activity, shall be listed  
35 on the application for the license and the applicant shall certify on  
36 the application, under oath, that the persons named on the application  
37 are all of the persons known to have an interest in any gambling  
38 activity, building, or equipment by the person making such application:  
39 PROVIDED FURTHER, That the commission may require fingerprinting and

1 background checks on any persons seeking licenses under this chapter or  
2 of any person holding an interest in any gambling activity, building,  
3 or equipment to be used therefor, or of any person participating as an  
4 employee in the operation of any gambling activity;

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

8 (9) To require that all income from bingo games, raffles, and  
9 amusement games be recorded and reported as established by rule or  
10 regulation of the commission to the extent deemed necessary by  
11 considering the scope and character of the gambling activity in such a  
12 manner that will disclose gross income from any gambling activity,  
13 amounts received from each player, the nature and value of prizes, and  
14 the fact of distributions of such prizes to the winners thereof;

15 (10) To regulate and establish maximum limitations on income  
16 derived from bingo: PROVIDED, That in establishing limitations  
17 pursuant to this subsection the commission shall take into account (i)  
18 the nature, character, and scope of the activities of the licensee;  
19 (ii) the source of all other income of the licensee; and (iii) the  
20 percentage or extent to which income derived from bingo is used for  
21 charitable, as distinguished from nonprofit, purposes;

22 (11) To regulate and establish the type and scope of and manner of  
23 conducting the gambling activities authorized by this chapter and  
24 chapter 9.-- RCW (sections 1 through 25 of this act), including but not  
25 limited to, the extent of wager, money, or other thing of value which  
26 may be wagered or contributed or won by a player in any such  
27 activities;

28 (12) To regulate the collection of and the accounting for the fee  
29 which may be imposed by an organization, corporation or person licensed  
30 to conduct a social card game on a person desiring to become a player  
31 in a social card game in accordance with RCW 9.46.0281(4);

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

35 (14) In accordance with RCW 9.46.080, to adopt such rules and  
36 regulations as are deemed necessary to carry out the purposes and  
37 provisions of this chapter and chapter 9.-- RCW (sections 1 through 25  
38 of this act). All rules and regulations shall be adopted pursuant to  
39 the administrative procedure act, chapter 34.05 RCW;

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

5 (16) To establish and regulate a maximum limit on salaries or wages  
6 which may be paid to persons employed in connection with activities  
7 conducted by bona fide charitable or nonprofit organizations and  
8 authorized by this chapter, where payment of such persons is allowed,  
9 and to regulate and establish maximum limits for other expenses in  
10 connection with such authorized activities, including but not limited  
11 to rent or lease payments.

12 In establishing these maximum limits the commission shall take into  
13 account the amount of income received, or expected to be received, from  
14 the class of activities to which the limits will apply and the amount  
15 of money the games could generate for authorized charitable or  
16 nonprofit purposes absent such expenses. The commission may also take  
17 into account, in its discretion, other factors, including but not  
18 limited to, the local prevailing wage scale and whether charitable  
19 purposes are benefited by the activities;

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

37 (18) To publish and make available at the office of the commission  
38 or elsewhere to anyone requesting it a list of the commission

1 licensees, including the name, address, type of license, and license  
2 number of each licensee;

3 (19) To establish guidelines for determining what constitutes  
4 active membership in bona fide nonprofit or charitable organizations  
5 for the purposes of this chapter; (~~and~~)

6 (20) To perform all other matters and things necessary to carry out  
7 the purposes and provisions of this chapter; and

8 (21) To regulate and issue all licenses and permits necessary to  
9 regulate charitable gaming events as authorized in chapter 9.-- RCW  
10 (sections 1 through 25 of this act).

11 **Sec. 28.** RCW 9.46.285 and 1973 2nd ex.s. c 41 s 8 are each amended  
12 to read as follows:

13 This chapter and chapter 9.-- RCW (sections 1 through 25 of this  
14 act) constitute(~~s~~) the exclusive legislative authority for the  
15 licensing and regulation of any gambling activity and the state  
16 preempts such licensing and regulatory functions, except as to the  
17 powers and duties of any city, town, city-county, or county which are  
18 specifically set forth in this chapter. Any ordinance, resolution, or  
19 other legislative act by any city, town, city-county, or county  
20 relating to gambling in existence on September 27, 1973 shall be as of  
21 that date null and void and of no effect. Any such city, town, city-  
22 county, or county may thereafter enact only such local law as is  
23 consistent with the powers and duties expressly granted to and imposed  
24 upon it by chapter 9.46 RCW and which is not in conflict with that  
25 chapter or with the rules of the commission.

26 NEW SECTION. **Sec. 29.** Sections 1 through 25 of this act shall  
27 constitute a new chapter in Title 9 RCW.

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