

HOUSE BILL ANALYSIS

HB 2946

Brief Description: Allowing local planning and zoning of gambling activities.

Sponsors: Representatives Conway and Clements

Hearing: February 2, 2000

Brief Summary of Bill

- Recognizes that cities, towns and counties may exercise land use and zoning powers with respect to gambling activity licensed by the Gambling Commission.

BACKGROUND:

Changes in the gambling laws regarding the operation of card rooms have resulted in the emergence of enhanced card rooms or "minicasinos." These establishments operate house-banked card games requiring a high level of security and a much larger investment for card room owners. They offer up to 15 tables with a maximum limit on wagers of \$100. The number of card rooms approved to operate at this enhanced level has grown to 52. A number of card rooms continue to operate with fewer tables, no house-banked games and lower wagering limits. There is currently no license distinction between card rooms conducting differing levels of activity.

Card room licenses are issued to persons operating businesses primarily engaged in selling food and drink items for consumption on the premises of the business as a commercial stimulant to that business.

In response to the appearance of these enhanced card rooms or "mini casinos," some local jurisdictions have adopted bans on the operation of enhanced card rooms or have banned future applicants but allow those currently approved to continue to operate.

Local Government Involvement in Gambling Regulation under the Gambling Laws.

The Gambling Commission is the exclusive authority for licensing and regulating gambling activities. Cities and counties may pass ordinances only if they are consistent with state gambling laws and commission rules. A city or county may prohibit gambling activity within its jurisdiction but may not change the scope of activity allowed under a state license.

Cities and counties are authorized to tax card room activity.

Local Government Planning and Zoning Authority. A local government implements its comprehensive plan through adoption of zoning ordinances. Zoning is the means by which local governments control the use of land and place certain restrictions on the structures and improvements located on property within a zone.

Local governments may take action under zoning authority that conflicts with the issuance of a gambling license by the state Gambling Commission to an individual applicant for operation of gambling activity.

SUMMARY OF BILL:

The land use and zoning powers of cities, towns and counties may be exercised with respect to gambling activity licensed by the Gambling Commission.

RULES AUTHORITY: The bill does not contain provisions addressing the rule making powers of an agency.

FISCAL NOTE: Not requested.

EFFECTIVE DATE: Ninety days after adjournment of a session in which bill is passed.