

HOUSE BILL REPORT

HB 2817

As Reported by House Committee On:

Commerce & Labor

Title: An act relating to local government land use and zoning powers over gambling activities.

Brief Description: Clarifying local government land use and zoning powers over gambling activities.

Sponsors: Representatives Lantz, Conway and Clements.

Brief History:

Committee Activity:

Commerce & Labor: 2/4/02, 2/7/02 [DP].

Brief Summary of Bill

- Recognizes that local jurisdictions may exercise land use and zoning powers with respect to licensed gambling activities.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 6 members: Representatives Conway, Chair; Wood, Vice Chair; Clements, Ranking Minority Member; Chandler, Kenney and Lysen.

Staff: Sydney Forrester (786-7120).

Background:

Social Card Games

The Legislature authorized social card games in 1974 as a commercial stimulant to businesses primarily engaged in the sale of food and drink for on-premises consumption. Only non-house banked games initially were authorized with a maximum five-table limit. The law was amended in 1996 allowing for an increase in the number of tables from five to 15.

In 1997 the Legislature authorized the Gambling Commission to license operators for house-banked card games. These establishments are commonly known as enhanced card

rooms or mini-casinos.

The commission currently issues card room licenses by the type of games authorized-- either house-banked or non-house banked. A card room licensed for house-banked games may operate up to 15 tables with a maximum wager limit of \$100. House-banked card rooms also may offer non-house banked games, but not vice versa. There are approximately 69 house-banked card rooms and 44 traditional card rooms (non-house-banked) operating currently.

Local Government and Gambling Regulation under State Law

The commission has exclusive authority to license and regulate gambling activities. The state preempts local licensing and regulatory authority for gambling, except as to powers and duties specifically granted to a city or county. A city or county may enact only such local ordinances related to gambling that do not conflict with the rules of the commission and which are consistent with the powers and duties granted to local jurisdictions. RCW 9.46.285.

A license issued by the commission is legal authority to engage in the gambling activity for which the license is issued throughout cities and counties across the state. Notwithstanding this authority, a city or county may absolutely prohibit any or all of the gambling activities for which the license is issued, but may not change the scope of the license. RCW 9.46.295.

Local Government Planning and Zoning Authority

Article XI, section 11 of the Washington Constitution provides that a city or county may make and enforce local police, sanitary, and other regulations that are not in conflict with general laws. Local governments implement their comprehensive plans by adopting zoning ordinances. Zoning is a means of controlling use of land by placing certain restrictions on structures and improvements located on property in a particular zone.

Summary of Bill:

A city, town, city-county, or county may exercise its land use and zoning powers with respect to gambling activities.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: This bill is similar to legislation that passed out of the House

unanimously in 2000. With the growth in the number of card rooms, some cities and counties have banned card rooms altogether and have tried to allow existing owners the opportunity to recoup investments. Card rooms operators would like to see location decisions made at the local level so cities and counties are not faced with an all or nothing decision. The power to zone gambling would ensure card rooms are not opened next to schools and churches. When a gambling establishment is licensed for one type of gambling, it may later be licensed for additional types of gambling that were not contemplated and over which a city may have no control. What once was a bowling alley licensed to offer pull-tabs and punch-boards located across the street from a school and child care facility, may later be licensed as a mini-casino, and still located across from the same school and child care facility. A city then has no ability to regulate for mitigation of parking requirements, traffic flow, or the other aspects of the changed nature of the gambling activities, except to completely ban the new activity.

(With concerns) Operators don't want to see confusion over local authority to regulate gambling. It would be clearer to add with respect to location— in order to clarify the limit of local zoning authority.

Testimony Against: None.

Testified: (In support) Dan Robinson and Joe Baseel, Six Card Charlie's Gambling Hall; Mike Ryherd, city of Kennewick; Ron Rosenbloom, Association of Washington Cities; Marilyn Owel and Mark Hoppen, city of Gig Harbor; and Robert Wenman, city of Port Orchard.

(In support with concerns) Dolores Chiechi, Recreational Gaming Association.