

# HOUSE BILL REPORT

## HB 1446

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**As Reported by House Committee On:**  
Commerce & Labor

**Title:** An act relating to authorizing bona fide charitable and nonprofit organizations to conduct electronic bingo.

**Brief Description:** Authorizing bona fide charitable and nonprofit organizations to conduct electronic bingo.

**Sponsors:** Representatives Wood, Clements, Conway, B. Chandler, Kenney, Lisk and Eickmeyer.

**Brief History:**

**Committee Activity:**

Commerce & Labor: 2/6/01, 2/27/01 [DPS].

**Brief Summary of Substitute Bill**

- Expands the definition of bingo to include electronic bingo games at linked terminals.
- Permits currently licensed nonprofit organizations to conduct electronic bingo games five days per week.

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### HOUSE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Clements, Republican Co-Chair; Conway, Democratic Co-Chair; B. Chandler, Republican Vice Chair; Wood, Democratic Vice Chair; Hunt, Kenney and Lisk.

**Minority Report:** Without recommendation. Signed by 1 member: Representative McMorris.

**Staff:** Sydney Forrester (786-7120).

**Background:**

The Legislature has declared fund-raising by bona fide charitable organizations to be in the public interest. In addition to specific fund-raising events, charitable organizations may conduct bingo games up to three times per week, or they may allow their facility to be used for conducting bingo games up to three times per week. Bingo games are those in which prizes are awarded on the basis of matching numbers or symbols on a card to numbers or symbols selected at random. Bingo cards may be sold only at the time and place where the game is conducted.

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**Summary of Substitute Bill:**

Nonprofit charitable organizations licensed as of January 1, 2001, are permitted to conduct bingo games using approved linked electronic bingo terminals. The gambling commission must adopt rules for the testing, regulation, approval, and licensing of electronic bingo games and terminals. Electronic bingo games are permitted five days per week. Up to 50 terminals per location are permitted. Terminal screens may display only electronic facsimiles of bingo and players may compete only against each other. Stand-alone gambling devices and devices which allow play against the device are not permitted.

**Substitute Bill Compared to Original Bill:**

The number of days per week during which bingo is permitted is reduced from seven to five. The number of terminals per location is reduced from 200 to 50. Technical clarifications are added to: 1) limit the terminal display screen to an electronic facsimile of bingo; 2) require that bingo competition is between players on the system; and 3) prohibit any form of slot machine or any device allowing for play against the device.

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**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** Nonprofit organizations have had a difficult time competing for recreational gaming dollars. Electronic bingo would update the game to attract a younger crowd. Charities have consistently fallen behind in their ability to earn money. Junior hockey is one of many programs supported by charitable and civic gaming. The program offers training in valuable life skills, staying off drugs, and youth leadership. The charitable industry is a partner with the community and both could benefit by the use of technology.

**Testimony Against:** Charitable gaming has a role, but the focus of charitable gaming should not be lost on electronic gaming. Tribal charitable funds go to support efforts against domestic violence, Habitat for Humanity, and others. Small charities that cannot afford the machines may lose out to big charities. Electronic bingo would create a playing field that is not level. If tribal bingo halls can't compete they can't be effective in providing tribal employment. Every gaming opportunity affects the community. Tribal elders and children are affected most by loss. Allowing nonprofit facilities to use up to 200 terminals would result in some compact (tribal) facilities being closed, putting those employees back on welfare. The bill is not clear on how the agency will be required to regulate electronic bingo, how the graphics will be defined, whether charities can combine efforts, and the procedures for cash in/cash out.

**Testified:** (In support of original bill) Ric Newgard, Washington Charitable and Civic Gaming; Randy Granger, Seattle Junior Hockey; T K Bentler, Washington Charitable and Civic Gaming; and Ed Fleisher, Washington State Gambling Commission.

(With concerns on original bill) Michael Moran, Muckleshoot Indian Tribe; and Ron Rosenbloom, Association of Washington Cities.

(In opposition of original bill) Joe Beck, Washington Indian Gaming Association; and Councilman Harris Teo, Jr., Yakima Nation.