
HOUSE BILL 3209

State of Washington

59th Legislature

2006 Regular Session

By Representative Chase

Read first time 01/25/2006. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to limiting the number and location of house-banked
2 social card games; amending RCW 9.46.295 and 9.46.070; and declaring an
3 emergency.

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

5 **Sec. 1.** RCW 9.46.295 and 1974 ex.s. c 155 s 6 are each amended to
6 read as follows:

7 (1) Any license to engage in any of the gambling activities
8 authorized by this chapter (~~as now exists or as hereafter amended~~),
9 and issued under the authority thereof shall be legal authority to
10 engage in the gambling activities for which issued throughout the
11 incorporated and unincorporated area of any county, except that:

12 (a) The commission shall neither issue nor renew any license to
13 engage in a house-banked card game except in a location specified in a
14 license to conduct a house-banked card game that, as of December 31,
15 2005:

16 (i) Is approved by the commission and is in effect; or

17 (ii) Has been submitted to and has not subsequently been denied by
18 the commission;

1 (b) A licensee authorized to engage in house-banked card games
2 pursuant to a license described in (a) of this subsection may continue
3 to engage in gambling activity authorized under the license until the
4 city, town, city-county, or county with jurisdiction over the location
5 identified in the license has in effect an ordinance, resolution, or
6 other legislative act adopted pursuant to (c) of this subsection
7 prohibiting such gambling activity; and

8 (c) A city located therein with respect to that city, or a county
9 with respect to all areas within that county except for such cities,
10 may absolutely prohibit(~~(, but may not change the scope of license,)~~)
11 any or all of the gambling activities for which the license was issued.

12 (2) Nothing in this section authorizes any city, town, city-county,
13 or county to adopt or enforce any ordinance, resolution, or other
14 legislative act changing or purporting to change any provision within
15 the scope of a license issued under this chapter.

16 (3) For purposes of this section, an ordinance, resolution, or
17 other legislative act that:

18 (a) Prohibits all house-banked card games within the applicable
19 jurisdiction on and after the effective date of the legislative act, or
20 on and after any other date specified in the legislative act, shall be
21 deemed to be an act adopted in compliance with subsection (1)(c) of
22 this section; or

23 (b) Allows any house-banked card games to continue to operate
24 within the applicable jurisdiction for an indefinite period after the
25 effective date of the legislative act, or another date, if any,
26 specified in the legislative act, shall be deemed to be an act not in
27 compliance with subsection (1)(c) of this section, and is null and
28 void.

29 (4) If a jurisdiction allowing house-banked card games on December
30 31, 2005, subsequently adopts an ordinance in compliance with
31 subsection (1)(c) of this section, and later rescinds such ordinance in
32 accordance with (b) of this subsection, the commission may issue or
33 renew a license to engage in a house-banked card game in a location
34 specified in an application submitted pursuant to rules adopted by the
35 commission, only if:

36 (a)(i) The location to which the applicant requests to be located
37 is a location within the geographic boundaries of the jurisdiction

1 described in this subsection; and (ii) the application for approval is
2 submitted to the commission on or before December 31, 2010;

3 (b) The city, town, city-county, or county described in this
4 subsection adopts an ordinance or resolution approving an ordinance to
5 rescind the ordinance adopted in compliance with subsection (1)(c) of
6 this section by at least a sixty percent majority vote of both: (i)
7 The members of the jurisdiction's legislative body; and (ii) the
8 eligible voters of the jurisdiction who cast votes with respect to the
9 adoption of such an ordinance at the first election at which a
10 statewide candidate or measure appears on the same ballot as the
11 proposition to adopt the ordinance approved by the jurisdiction's
12 legislative body under this subsection; and

13 (c) The commission approves the application to relocate with at
14 least a sixty percent majority vote of the voting members of the
15 commission.

16 (5) The commission shall not approve an application submitted
17 pursuant to subsection (4) of this section if the licensee: (a) Has
18 previously applied to relocate the premise; or (b) does not meet any
19 existing standard required to obtain or retain a license to engage in
20 a house-banked card game.

21 (6) An application to relocate a licensed premise under subsection
22 (4) of this section shall not be approved, and if previously approved,
23 the license to engage in a house-banked card game at such location
24 shall be revoked and not subsequently issued or renewed in any
25 location, if the licensee who submitted the application under
26 subsection (4) of this section, or any director, officer, or other
27 substantial interest holder of the licensed gambling activity, pleads
28 guilty to or is found guilty of any crime constituting, or if
29 prosecuted under the laws of Washington would constitute, a class A, B,
30 or C felony under RCW 9A.20.021 or 9A.20.040 or Title 9 RCW, arising
31 out of any act or acts that occurred at any time the licensee held a
32 license issued by the commission.

33 **Sec. 2.** RCW 9.46.070 and 2002 c 119 s 1 are each amended to read
34 as follows:

35 The commission shall have the following powers and duties:

36 (1) To authorize and issue licenses for a period not to exceed one
37 year to bona fide charitable or nonprofit organizations approved by the

1 commission meeting the requirements of this chapter and any rules ((~~and~~
2 ~~regulations~~)) adopted pursuant thereto permitting said organizations to
3 conduct bingo games, raffles, amusement games, and social card games,
4 to utilize punch boards and pull-tabs in accordance with the provisions
5 of this chapter and any rules ((~~and-regulations~~)) adopted pursuant
6 thereto and to revoke or suspend said licenses for violation of any
7 provisions of this chapter or any rules ((~~and-regulations~~)) adopted
8 pursuant thereto(~~(:—PROVIDED, That)~~). However, except as provided in
9 RCW 9.46.295, the commission shall not deny a license to an otherwise
10 qualified applicant in an effort to limit the number of licenses to be
11 issued(~~(:—PROVIDED FURTHER, That)~~). The commission or director shall
12 not issue, deny, suspend, or revoke any license because of
13 considerations of race, sex, creed, color, or national origin(~~(:—AND~~
14 ~~PROVIDED FURTHER, That)~~). The commission may authorize the director to
15 temporarily issue or suspend licenses subject to final action by the
16 commission;

17 (2) To authorize and issue licenses for a period not to exceed one
18 year to any person, association, or organization operating a business
19 primarily engaged in the selling of items of food or drink for
20 consumption on the premises, approved by the commission meeting the
21 requirements of this chapter and any rules ((~~and-regulations~~)) adopted
22 pursuant thereto permitting said person, association, or organization
23 to utilize punch boards and pull-tabs and to conduct social card games
24 as a commercial stimulant in accordance with the provisions of this
25 chapter and any rules ((~~and-regulations~~)) adopted pursuant thereto and
26 to revoke or suspend said licenses for violation of any provisions of
27 this chapter and any rules ((~~and-regulations~~)) adopted pursuant
28 thereto(~~(:—PROVIDED, That)~~). However, except as provided in RCW
29 9.46.295, the commission shall not deny a license to an otherwise
30 qualified applicant in an effort to limit the number of licenses to be
31 issued(~~(:—PROVIDED FURTHER, That)~~). The commission may authorize the
32 director to temporarily issue or suspend licenses subject to final
33 action by the commission;

34 (3) To authorize and issue licenses for a period not to exceed one
35 year to any person, association, or organization approved by the
36 commission meeting the requirements of this chapter and meeting the
37 requirements of any rules and regulations adopted by the commission
38 pursuant to this chapter as now or hereafter amended, permitting said

1 person, association, or organization to conduct or operate amusement
2 games in such manner and at such locations as the commission may
3 determine;

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

10 (5) To establish a schedule of annual license fees for carrying on
11 specific gambling activities upon the premises, and for such other
12 activities as may be licensed by the commission, which fees shall
13 provide to the commission not less than an amount of money adequate to
14 cover all costs incurred by the commission relative to licensing under
15 this chapter and the enforcement by the commission of the provisions of
16 this chapter and rules and regulations adopted pursuant thereto:
17 PROVIDED, That all licensing fees shall be submitted with an
18 application therefor and such portion of said fee as the commission may
19 determine, based upon its cost of processing and investigation, shall
20 be retained by the commission upon the withdrawal or denial of any such
21 license application as its reasonable expense for processing the
22 application and investigation into the granting thereof: PROVIDED
23 FURTHER, That if in a particular case the basic license fee established
24 by the commission for a particular class of license is less than the
25 commission's actual expenses to investigate that particular
26 application, the commission may at any time charge to that applicant
27 such additional fees as are necessary to pay the commission for those
28 costs. The commission may decline to proceed with its investigation
29 and no license shall be issued until the commission has been fully paid
30 therefor by the applicant: AND PROVIDED FURTHER, That the commission
31 may establish fees for the furnishing by it to licensees of
32 identification stamps to be affixed to such devices and equipment as
33 required by the commission and for such other special services or
34 programs required or offered by the commission, the amount of each of
35 these fees to be not less than is adequate to offset the cost to the
36 commission of the stamps and of administering their dispersal to
37 licensees or the cost of administering such other special services,
38 requirements or programs;

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

3 (7) To require that applications for all licenses contain such
4 information as may be required by the commission: PROVIDED, That all
5 persons (a) having a managerial or ownership interest in any gambling
6 activity, or the building in which any gambling activity occurs, or the
7 equipment to be used for any gambling activity, or (b) participating as
8 an employee in the operation of any gambling activity, shall be listed
9 on the application for the license and the applicant shall certify on
10 the application, under oath, that the persons named on the application
11 are all of the persons known to have an interest in any gambling
12 activity, building, or equipment by the person making such application:
13 PROVIDED FURTHER, That the commission shall require fingerprinting and
14 national criminal history background checks on any persons seeking
15 licenses, certifications, or permits under this chapter or of any
16 person holding an interest in any gambling activity, building, or
17 equipment to be used therefor, or of any person participating as an
18 employee in the operation of any gambling activity. All national
19 criminal history background checks shall be conducted using
20 fingerprints submitted to the United States department of justice-
21 federal bureau of investigation. The commission must establish rules
22 to delineate which persons named on the application are subject to
23 national criminal history background checks. In identifying these
24 persons, the commission must take into consideration the nature,
25 character, size, and scope of the gambling activities requested by the
26 persons making such applications;

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

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

37 (10) To regulate and establish maximum limitations on income
38 derived from bingo. In establishing limitations pursuant to this

1 subsection the commission shall take into account (i) the nature,
2 character, and scope of the activities of the licensee; (ii) the source
3 of all other income of the licensee; and (iii) the percentage or extent
4 to which income derived from bingo is used for charitable, as
5 distinguished from nonprofit, purposes. However, the commission's
6 powers and duties granted by this subsection are discretionary and not
7 mandatory;

8 (11) To regulate and establish the type and scope of and manner of
9 conducting the gambling activities authorized by this chapter,
10 including but not limited to, the extent of wager, money, or other
11 thing of value which may be wagered or contributed or won by a player
12 in any such activities;

13 (12) To regulate the collection of and the accounting for the fee
14 which may be imposed by an organization, corporation, or person
15 licensed to conduct a social card game on a person desiring to become
16 a player in a social card game in accordance with RCW 9.46.0282;

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

20 (14) In accordance with RCW 9.46.080, to adopt such rules and
21 regulations as are deemed necessary to carry out the purposes and
22 provisions of this chapter. All rules and regulations shall be adopted
23 pursuant to the administrative procedure act, chapter 34.05 RCW;

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

28 (16) To establish and regulate a maximum limit on salaries or wages
29 which may be paid to persons employed in connection with activities
30 conducted by bona fide charitable or nonprofit organizations and
31 authorized by this chapter, where payment of such persons is allowed,
32 and to regulate and establish maximum limits for other expenses in
33 connection with such authorized activities, including but not limited
34 to rent or lease payments. However, the commissioner's powers and
35 duties granted by this subsection are discretionary and not mandatory.

36 In establishing these maximum limits the commission shall take into
37 account the amount of income received, or expected to be received, from
38 the class of activities to which the limits will apply and the amount

1 of money the games could generate for authorized charitable or
2 nonprofit purposes absent such expenses. The commission may also take
3 into account, in its discretion, other factors, including but not
4 limited to, the local prevailing wage scale and whether charitable
5 purposes are benefited by the activities;

6 (17) To authorize, require, and issue for a period not to exceed
7 one year such licenses or permits, for which the commission may by rule
8 provide, to any person to work for any operator of any gambling
9 activity authorized by this chapter in connection with that activity,
10 or any manufacturer, supplier, or distributor of devices for those
11 activities in connection with such business. The commission shall not
12 require that persons working solely as volunteers in an authorized
13 activity conducted by a bona fide charitable or bona fide nonprofit
14 organization, who receive no compensation of any kind for any purpose
15 from that organization, and who have no managerial or supervisory
16 responsibility in connection with that activity, be licensed to do such
17 work. The commission may require that licensees employing such
18 unlicensed volunteers submit to the commission periodically a list of
19 the names, addresses, and dates of birth of the volunteers. If any
20 volunteer is not approved by the commission, the commission may require
21 that the licensee not allow that person to work in connection with the
22 licensed activity;

23 (18) To publish and make available at the office of the commission
24 or elsewhere to anyone requesting it a list of the commission
25 licensees, including the name, address, type of license, and license
26 number of each licensee;

27 (19) To establish guidelines for determining what constitutes
28 active membership in bona fide nonprofit or charitable organizations
29 for the purposes of this chapter; and

30 (20) To perform all other matters and things necessary to carry out
31 the purposes and provisions of this chapter.

32 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
33 preservation of the public peace, health, or safety, or support of the
34 state government and its existing public institutions, and takes effect
35 immediately.

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