
SENATE BILL 6057

State of Washington

59th Legislature

2005 Regular Session

By Senators Fairley and Kohl-Welles

Read first time 02/28/2005. Referred to Committee on Labor, Commerce, Research & Development.

1 AN ACT Relating to gambling commission reporting on social card
2 room financial activity; amending RCW 9.46.070; and declaring an
3 emergency.

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

5 **Sec. 1.** RCW 9.46.070 and 2002 c 119 s 1 are each amended to read
6 as follows:

7 The commission (~~(shall have)~~) has the following powers and duties:

8 (1) To authorize and issue licenses for a period not to exceed one
9 year to bona fide charitable or nonprofit organizations approved by the
10 commission meeting the requirements of this chapter and any rules and
11 regulations adopted pursuant thereto permitting said organizations to
12 conduct bingo games, raffles, amusement games, and social card games,
13 to utilize punch boards and pull-tabs in accordance with the provisions
14 of this chapter and any rules and regulations adopted pursuant thereto
15 and to revoke or suspend said licenses for violation of any provisions
16 of this chapter or any rules and regulations adopted pursuant thereto:
17 PROVIDED, That the commission shall not deny a license to an otherwise
18 qualified applicant in an effort to limit the number of licenses to be
19 issued: PROVIDED FURTHER, That the commission or director shall not

1 issue, deny, suspend, or revoke any license because of considerations
2 of 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

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

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

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

1 national criminal history background checks on any persons seeking
2 licenses, certifications, or permits under this chapter or of any
3 person holding an interest in any gambling activity, building, or
4 equipment to be used therefor, or of any person participating as an
5 employee in the operation of any gambling activity. All national
6 criminal history background checks shall be conducted using
7 fingerprints submitted to the United States department of justice-
8 federal bureau of investigation. The commission must establish rules
9 to delineate which persons named on the application are subject to
10 national criminal history background checks. In identifying these
11 persons, the commission must take into consideration the nature,
12 character, size, and scope of the gambling activities requested by the
13 persons making such applications;

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

17 (9) To require all social card room licensees to submit financial
18 information on a quarterly basis, including, but not limited to: Gross
19 gambling receipts; prizes; net gambling receipts; donated prizes; total
20 expenses; a detailed list of expenses, including wages paid for
21 gambling activities; and net gambling income. The commission shall
22 provide licensees with a report form, with instructions, to submit
23 information required under this subsection;

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

31 ((+10+)) (11) To regulate and establish maximum limitations on
32 income derived from bingo. In establishing limitations pursuant to
33 this subsection the commission shall take into account (i) the nature,
34 character, and scope of the activities of the licensee; (ii) the source
35 of all other income of the licensee; and (iii) the percentage or extent
36 to which income derived from bingo is used for charitable, as
37 distinguished from nonprofit, purposes. However, the commission's

1 powers and duties granted by this subsection are discretionary and not
2 mandatory;

3 ~~((11))~~ (12) To regulate and establish the type and scope of and
4 manner of conducting the gambling activities authorized by this
5 chapter, including but not limited to, the extent of wager, money, or
6 other thing of value which may be wagered or contributed or won by a
7 player in any such activities;

8 ~~((12))~~ (13) To regulate the collection of and the accounting for
9 the fee which may be imposed by an organization, corporation, or person
10 licensed to conduct a social card game on a person desiring to become
11 a player in a social card game in accordance with RCW 9.46.0282;

12 ~~((13))~~ (14) To cooperate with and secure the cooperation of
13 county, city, and other local or state agencies in investigating any
14 matter within the scope of its duties and responsibilities;

15 ~~((14))~~ (15) In accordance with RCW 9.46.080, to adopt such rules
16 and regulations as are deemed necessary to carry out the purposes and
17 provisions of this chapter. All rules and regulations shall be adopted
18 pursuant to the administrative procedure act, chapter 34.05 RCW;

19 ~~((15))~~ (16) To set forth for the perusal of counties, city-
20 counties, cities and towns, model ordinances by which any legislative
21 authority thereof may enter into the taxing of any gambling activity
22 authorized by this chapter;

23 ~~((16))~~ (17) To establish and regulate a maximum limit on salaries
24 or wages which may be paid to persons employed in connection with
25 activities conducted by bona fide charitable or nonprofit organizations
26 and authorized by this chapter, where payment of such persons is
27 allowed, and to regulate and establish maximum limits for other
28 expenses in connection with such authorized activities, including but
29 not limited to rent or lease payments. However, the commissioner's
30 powers and duties granted by this subsection are discretionary and not
31 mandatory.

32 In establishing these maximum limits the commission shall take into
33 account the amount of income received, or expected to be received, from
34 the class of activities to which the limits will apply and the amount
35 of money the games could generate for authorized charitable or
36 nonprofit purposes absent such expenses. The commission may also take
37 into account, in its discretion, other factors, including but not

1 limited to, the local prevailing wage scale and whether charitable
2 purposes are benefited by the activities;

3 ~~((+17))~~ (18) To authorize, require, and issue for a period not to
4 exceed one year such licenses or permits, for which the commission may
5 by rule provide, to any person to work for any operator of any gambling
6 activity authorized by this chapter in connection with that activity,
7 or any manufacturer, supplier, or distributor of devices for those
8 activities in connection with such business. The commission shall not
9 require that persons working solely as volunteers in an authorized
10 activity conducted by a bona fide charitable or bona fide nonprofit
11 organization, who receive no compensation of any kind for any purpose
12 from that organization, and who have no managerial or supervisory
13 responsibility in connection with that activity, be licensed to do such
14 work. The commission may require that licensees employing such
15 unlicensed volunteers submit to the commission periodically a list of
16 the names, addresses, and dates of birth of the volunteers. If any
17 volunteer is not approved by the commission, the commission may require
18 that the licensee not allow that person to work in connection with the
19 licensed activity;

20 ~~((+18))~~ (19) To publish and make available at the office of the
21 commission or elsewhere to anyone requesting it a list of the
22 commission licensees, including the name, address, type of license, and
23 license number of each licensee;

24 ~~((+19))~~ (20) To publish on-line and make available to the public,
25 on a quarterly basis, a list of the social card room licensees,
26 including the licensee's name, city, county, license issue number,
27 gross receipts, special prizes, net receipts, wages paid related to
28 gambling activity, reported paid local tax on social card rooms, other
29 gambling expenses, net gambling income, and net gambling income's
30 percent of gross receipts;

31 (21) To establish guidelines for determining what constitutes
32 active membership in bona fide nonprofit or charitable organizations
33 for the purposes of this chapter; and

34 ~~((+20))~~ (22) To perform all other matters and things necessary to
35 carry out the purposes and provisions of this chapter.

36 NEW SECTION. **Sec. 2.** This act is necessary for the immediate

1 preservation of the public peace, health, or safety, or support of the
2 state government and its existing public institutions, and takes effect
3 immediately.

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