

SSB 5558 - S AMD 103  
By Senator Prentice

ADOPTED 03/08/2007

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** POLICY STATEMENT. In keeping with the  
4 gambling policy statement in RCW 9.46.010, the legislature intends to:

5 (1) Limit the number of licenses that may be issued for conducting  
6 house-banked social card games; and

7 (2) Grant local jurisdictions limited authority to determine the  
8 areas within which house-banked social card games may be conducted.

9 NEW SECTION. **Sec. 2.** A new section is added to chapter 9.46 RCW  
10 to read as follows:

11 LIMIT ON HOUSE-BANKED CARD GAME LICENSES. (1) Except as provided in  
12 RCW 9.46.295 and section 4 of this act, the commission may not accept  
13 or approve an application to be licensed to conduct house-banked social  
14 card games unless the applicant:

15 (a) As of March 1, 2007, was in operation under an unrevoked and  
16 unexpired license to conduct house-banked social card games in the  
17 location identified in the license;

18 (b) As of March 1, 2007, had submitted a completed application as  
19 determined by the commission to obtain a license to conduct  
20 house-banked social card games at an identified location;

21 (c) Has purchased a substantial interest in, or substantially all  
22 of the assets of, a business issued a license under (a) or (b) of this  
23 subsection to conduct house-banked social card games and the  
24 application is for a license to continue to conduct such games in the  
25 location identified in the previous license; or

26 (d) Having been issued a license under (a), (b), or (c) of this  
27 subsection, submits a timely application to renew the license for the  
28 location identified in the license.

1 (2) Notwithstanding any ordinance, resolution, or legislative act  
2 in existence before the effective date of this section, a city, town,  
3 or county may not prohibit the holder of a license issued by the  
4 commission to conduct house-banked social card games from conducting  
5 such games in the location identified by such license except as  
6 follows:

7 (a) The jurisdiction has a prohibition in effect, enacted after the  
8 effective date of this section, applying to house-banked social card  
9 games that complies with RCW 9.46.295(1)(a).

10 (b) A jurisdiction, with a prohibition in effect applying to  
11 house-banked social card games that complies with RCW 9.46.295(1)(a),  
12 that annexes territory within which a holder of a license issued by the  
13 commission to conduct house-banked social card games is conducting such  
14 games may prohibit that licensee from conducting such games. To  
15 prohibit such activities of the licensee, the jurisdiction must adopt  
16 an ordinance, resolution, or other legislative act prohibiting house-  
17 banked social card games in the annexed territory and this prohibition  
18 may not take effect for eighteen months after the ordinance,  
19 resolution, or other legislative act is adopted.

20 (3) This section does not restrict a holder of a license issued by  
21 the commission to conduct house-banked social card games from:

22 (a) Selling, exchanging, or otherwise transferring such interests  
23 in gambling equipment, subject to commission rules regarding the  
24 transfer of gambling equipment; or

25 (b) Relocating that business, subject to the commission's review  
26 and approval, but only if the jurisdiction to which the licensee  
27 proposes to relocate has in effect an ordinance, resolution, or other  
28 legislative act enacted pursuant to section 4 of this act and the  
29 proposed location complies with section 4 of this act.

30 **Sec. 3.** RCW 9.46.295 and 1974 ex.s. c 155 s 6 are each amended to  
31 read as follows:

32 LOCAL JURISDICTION OPTIONS. (1) Any license to engage in any of  
33 the gambling activities authorized by this chapter (~~as now exists or~~  
34 ~~as hereafter amended,~~) and issued under the authority thereof shall be  
35 legal authority to engage in the gambling activities for which issued  
36 throughout the incorporated and unincorporated area of any county,

1 except that a city or town located therein with respect to that city or  
2 town, or a county with respect to all areas within that county except  
3 for such cities or towns, may:

4 (a) Absolutely prohibit(~~(, but may not change the scope of~~  
5 license~~,~~)) any or all of the gambling activities for which the license  
6 was issued. However, such prohibition enacted after the effective date  
7 of this section relating to house-banked social card games may not be  
8 repealed for at least three years from the effective date of the  
9 ordinance, resolution, or other legislative act enacting the  
10 prohibition; or

11 (b) Determine, in accordance with section 4 of this act, the areas  
12 within which house-banked social card games may be relocated.

13 (2) This section does not authorize any city, town, or county to  
14 adopt or enforce any ordinance, resolution, or other legislative act  
15 changing or purporting to change the scope of a license issued under  
16 this chapter.

17 (3) Until July 1, 2010, an ordinance, resolution, or other  
18 legislative act that absolutely prohibits the operation of house-banked  
19 social card games under subsection (1)(a) of this section that is  
20 adopted by a city or town on or after the effective date of this act is  
21 subject to referendum under the referendum procedures of RCW 35A.11.100  
22 and 35A.29.170.

23 NEW SECTION. Sec. 4. A new section is added to chapter 9.46 RCW  
24 to read as follows:

25 RELOCATION ZONING ORDINANCES AUTHORIZED. (1) A city, town, or  
26 county that has, pursuant to chapter 36.70A RCW, adopted a  
27 comprehensive land use plan containing a statement identifying the  
28 jurisdiction's policy regarding the extent to which licensed gambling  
29 activity is to be allowed within the jurisdiction may enact, amend, and  
30 enforce an ordinance, resolution, or other legislative act, consistent  
31 with the policy statement in the comprehensive plan and subject to  
32 subsection (2) of this section, that does the following:

33 (a) Allows the relocation of house-banked social card games within  
34 all or part of the city, town, or county. If the ordinance,  
35 resolution, or other legislative act allows such games in only part of  
36 the jurisdiction, it must:

1 (i) Designate a land use zone or zones that is not less than and  
2 that is wholly contained in one-third of the land use zone or zones  
3 within which eating and drinking establishments licensed by the liquor  
4 control board are allowed to operate;

5 (ii) Apply uniformly throughout each designated land use zone or  
6 zones within the jurisdiction, with no authority to grant variances or  
7 nonconforming uses based on house-banked social card games; and

8 (iii) Apply only to house-banked social card games that did not  
9 have an identified location under section 2(1) of this act in the  
10 jurisdiction. However, the house-banked card game licensee may  
11 relocate that business into the designated land use zone if it meets  
12 the requirements of this section; or

13 (b)(i) Prohibits house-banked social card games from relocating  
14 within up to five hundred feet of any of the following uses that  
15 existed on the initial date of application for relocation of the  
16 license:

17 (A) A building used exclusively for religious worship, religious  
18 schooling, or other activity in connection therewith;

19 (B) A residence located in a zone that is identified specifically  
20 in a local ordinance or legislative enactment as being composed  
21 predominantly of single-family or multifamily residences;

22 (C) A tax-supported public elementary or secondary school or  
23 private school meeting the requirements for private schools under Title  
24 28A RCW; or

25 (D) Publicly owned or leased buildings designated within the  
26 jurisdiction's comprehensive plan and used exclusively by the  
27 jurisdiction as a place of business for its employees, elected  
28 officials, or for public meetings, including but not limited to any  
29 library, courthouse, jail, police station, or fire station.

30 (ii) Any distances established for the purposes of this subsection  
31 (1)(b) must be measured in a straight line from the perimeter property  
32 line of the grounds of the use identified under this subsection to the  
33 nearest property line of the property within which an applicant has  
34 applied to locate house-banked social card games.

35 (2) The repeal of a land use zone enacted pursuant to this section  
36 may not apply for at least three years from the effective date of such  
37 ordinance, resolution, or other legislative act to the holder of a

1 license issued by the commission to conduct house-banked social card  
2 games who is conducting such games in that location within the  
3 jurisdiction on the date that the repeal took effect.

4 (3) For the purposes of this section, "land use zone" means any  
5 area within a jurisdiction that: (a) Is defined by an action of a  
6 jurisdiction's legislative body and appears on the jurisdiction's land  
7 use zoning map; (b) is situated within a single, continuous, and  
8 discrete boundary perimeter; and (c) has land uses within the area that  
9 are subject to the same zoning regulations, definitions, or standards  
10 as may be determined by the jurisdiction.

11 (4) The land use petition act, chapter 36.70C RCW, governs  
12 challenges regarding the adoption or enforcement of an ordinance,  
13 resolution, or other legislative act enacted or amended pursuant to  
14 this section.

15 (5) The commission, its members, and staff are absolutely immune  
16 from any legal action relating to a decision of the commission: To  
17 issue, renew, or not issue a license under this section or section 2 of  
18 this act; or that is based on the commission's interpretation of this  
19 section, section 2 of this act, or any local ordinance, resolution, or  
20 other legislative act enacted or amended under this section. No court,  
21 board, agency, entity, or tribunal of any kind has jurisdiction to join  
22 the commission as a party to any such legal action.

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

25 POWERS AND DUTIES OF GAMBLING COMMISSION. The commission shall  
26 have the following powers and duties:

27 (1) To authorize and issue licenses for a period not to exceed one  
28 year to bona fide charitable or nonprofit organizations approved by the  
29 commission meeting the requirements of this chapter and any rules (~~and~~  
30 ~~regulations~~) adopted pursuant thereto permitting said organizations to  
31 conduct bingo games, raffles, amusement games, and social card games,  
32 to utilize punch boards and pull-tabs in accordance with the provisions  
33 of this chapter and any rules (~~and regulations~~) adopted pursuant  
34 thereto and to revoke or suspend (~~said~~) such licenses for violation  
35 of any provisions of this chapter or any rules (~~and regulations~~)  
36 adopted pursuant thereto(~~:- PROVIDED, That~~). However, except as  
37 provided in section 2 of this act, the commission shall not deny a

1 license to an otherwise qualified applicant in an effort to limit the  
2 number of licenses to be issued(~~(: PROVIDED FURTHER, That)~~). The  
3 commission or director shall not issue, deny, suspend, or revoke any  
4 license because of considerations of race, sex, creed, color, or  
5 national origin(~~(: AND PROVIDED FURTHER, That)~~). The commission may  
6 authorize the director to temporarily issue or suspend licenses subject  
7 to final action by the commission;

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

25 (3) To authorize and issue licenses for a period not to exceed one  
26 year to any person, association, or organization approved by the  
27 commission meeting the requirements of this chapter and meeting the  
28 requirements of any rules (~~(and regulations)~~) adopted by the commission  
29 pursuant to this chapter (~~(as now or hereafter amended)~~), permitting  
30 (~~(said)~~) such person, association, or organization to conduct or  
31 operate amusement games in such manner and at such locations as the  
32 commission may determine;

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

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

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

32 (7) To require that applications for all licenses contain such  
33 information as may be required by the commission(~~(~~~~PROVIDED, That~~)).  
34 All persons (a) having a managerial or ownership interest in any  
35 gambling activity, or the building in which any gambling activity  
36 occurs, or the equipment to be used for any gambling activity, or (b)  
37 participating as an employee in the operation of any gambling activity,  
38 shall be listed on the application for the license and the applicant

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

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

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

28 (10) To regulate and establish maximum limitations on income  
29 derived from bingo. In establishing limitations pursuant to this  
30 subsection the commission shall take into account (i) the nature,  
31 character, and scope of the activities of the licensee; (ii) the source  
32 of all other income of the licensee; and (iii) the percentage or extent  
33 to which income derived from bingo is used for charitable, as  
34 distinguished from nonprofit, purposes. However, the commission's  
35 powers and duties granted by this subsection are discretionary and not  
36 mandatory;

37 (11) To regulate and establish the type and scope of and manner of  
38 conducting the gambling activities authorized by this chapter,



1 including but not limited to, the extent of wager, money, or other  
2 thing of value which may be wagered or contributed or won by a player  
3 in any such activities;

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

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

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

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

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

28 In establishing these maximum limits the commission shall take into  
29 account the amount of income received, or expected to be received, from  
30 the class of activities to which the limits will apply and the amount  
31 of money the games could generate for authorized charitable or  
32 nonprofit purposes absent such expenses. The commission may also take  
33 into account, in its discretion, other factors, including but not  
34 limited to, the local prevailing wage scale and whether charitable  
35 purposes are benefited by the activities;

36 (17) To authorize, require, and issue for a period not to exceed  
37 one year such licenses or permits, for which the commission may by rule  
38 provide, to any person to work for any operator of any gambling

1 activity authorized by this chapter in connection with that activity,  
2 or any manufacturer, supplier, or distributor of devices for those  
3 activities in connection with such business. The commission shall not  
4 require that persons working solely as volunteers in an authorized  
5 activity conducted by a bona fide charitable or bona fide nonprofit  
6 organization, who receive no compensation of any kind for any purpose  
7 from that organization, and who have no managerial or supervisory  
8 responsibility in connection with that activity, be licensed to do such  
9 work. The commission may require that licensees employing such  
10 unlicensed volunteers submit to the commission periodically a list of  
11 the names, addresses, and dates of birth of the volunteers. If any  
12 volunteer is not approved by the commission, the commission may require  
13 that the licensee not allow that person to work in connection with the  
14 licensed activity;

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

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

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

24 NEW SECTION. **Sec. 6.** CAPTIONS. Captions as used in this act do  
25 not constitute any part of the law.

26 NEW SECTION. **Sec. 7.** If any provision of this act or its  
27 application to any person or circumstance is held invalid, the  
28 remainder of the act or the application of the provision to other  
29 persons or circumstances is not affected."

**ADOPTED 03/08/2007**

1        On page 1, line 1 of the title, after "games;" strike the remainder  
2 of the title and insert "amending RCW 9.46.295 and 9.46.070; adding new  
3 sections to chapter 9.46 RCW; and creating new sections."

EFFECT:    Modifies the referendum procedure.    Until July 1, 2010,  
an ordinance, resolution, or other legislative act that prohibits the  
operation of house-banked card games must be subject to referendum  
according to RCW 35A.11.100 and 35A.29.170.

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