H-3658.2

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**HOUSE BILL 2723**

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**State of Washington 64th Legislature 2016 Regular Session**

**By** Representatives Hurst and Frame

AN ACT Relating to clarifying that internet security, cloud, and other related internet companies are not in violation when selling internet-related equipment and services to gaming companies not operating in Washington state; and amending RCW 9.46.240.

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

**Sec.**  RCW 9.46.240 and 2006 c 290 s 2 are each amended to read as follows:

(1) The legislature recognizes that Washington state is home to many internet security, cloud, and other internet-related businesses. In the course of their business, these companies transmit and receive data from customers throughout the world. This data may be processed through networks, equipment, and data centers located in or managed from locations in Washington state. The legislature recognizes that these internet companies have millions of customers that may include casinos or online gaming companies in other countries, or in states that allow various forms of gaming. It is the intent of this section to clarify that these internet companies are not in violation of subsection (2) of this section if they are providing their internet-related software and services to gaming customers operating outside of Washington state.

(2) Whoever knowingly transmits or receives gambling information by telephone, telegraph, radio, semaphore, the internet, a telecommunications transmission system, or similar means, or knowingly installs or maintains equipment for the transmission or receipt of gambling information shall be guilty of a class C felony subject to the penalty set forth in RCW 9A.20.021. However, this section shall not apply to such information transmitted or received or equipment installed or maintained relating to activities authorized by this chapter or to any act or acts in furtherance thereof when conducted in compliance with the provisions of this chapter and in accordance with the rules adopted under this chapter.

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