
HOUSE BILL 2720

State of Washington

66th Legislature

2020 Regular Session

By Representatives Hudgins, Vick, Jenkin, and Blake

1 AN ACT Relating to the application of gambling loss recovery laws
2 to certain online games of chance; amending RCW 4.24.070; and
3 creating a new section.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that the state has
6 made it a priority to grow clean, high-wage jobs by encouraging firms
7 engaged in video game development to invest and grow in the state.
8 The state has been successful in its efforts and an estimated twenty
9 percent of the global video game development industry is now based in
10 Washington state. However, recent court cases filed in federal
11 district courts in Washington have created economic uncertainty for
12 video game companies located in Washington state, or offering games
13 to players located in the state, by raising the possibility that the
14 legality surrounding these games will be decided differently than
15 similar issues raised and decided in other states, such as Illinois,
16 Maryland, and Ohio.

17 The legislature further finds that two video game companies based
18 in Washington are subject to recently filed class action lawsuits.
19 These lawsuits, if decided adversely to the game companies, pose a
20 substantial financial risk for video game development in this state.
21 The further possibility exists that companies based in Washington

1 will move their base of operations to other states, which would
2 remove thousands of jobs from the state and a currently incalculable,
3 but materially significant, amount of tax dollars.

4 Therefore, it is the intent of the legislature to remove this
5 economic uncertainty by clarifying that a player is not entitled to
6 recovery under RCW 4.24.070 unless the video game played provides a
7 mechanism for the withdrawal of money or property from the game.

8 **Sec. 2.** RCW 4.24.070 and 1957 c 7 s 2 are each amended to read
9 as follows:

10 (1) All persons losing money or anything of value at or on any
11 illegal gambling games shall have a cause of action to recover from
12 the dealer or player winning, or from the proprietor for whose
13 benefit such game was played or dealt, or such money or things of
14 value won, the amount of the money or the value of the thing so lost.

15 (2) For purposes of this section, "illegal gambling games" does
16 not include online games of chance when played solely for
17 entertainment purposes with virtual items if such virtual items may
18 be used only for gameplay and may not be, per the terms of service of
19 the game, transferred, exchanged, or redeemed for money or property.

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