
SENATE BILL 6146

State of Washington

61st Legislature

2009 Regular Session

By Senator Prentice

1 AN ACT Relating to the consolidation of the gambling commission
2 into the department of licensing as the office of gambling regulation;
3 amending RCW 9.46.010, 9.46.0201, 9.46.0205, 9.46.0209, 9.46.0217,
4 9.46.0221, 9.46.0233, 9.46.0261, 9.46.0273, 9.46.0282, 9.46.0311,
5 9.46.0315, 9.46.0321, 9.46.0331, 9.46.0335, 9.46.0341, 9.46.0345,
6 9.46.0351, 9.46.0356, 9.46.0361, 9.46.040, 9.46.060, 9.46.070,
7 9.46.0701, 9.46.071, 9.46.075, 9.46.077, 9.46.080, 9.46.085, 9.46.090,
8 9.46.095, 9.46.100, 9.46.110, 9.46.116, 9.46.120, 9.46.130, 9.46.140,
9 9.46.150, 9.46.153, 9.46.158, 9.46.160, 9.46.170, 9.46.198, 9.46.210,
10 9.46.215, 9.46.220, 9.46.225, 9.46.231, 9.46.250, 9.46.285, 9.46.293,
11 9.46.300, 9.46.310, 9.46.350, 9.46.360, 9.46.420, 43.24.016, 43.24.020,
12 43.24.030, 43.24.086, and 43.24.120; and repealing RCW 9.46.050.

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

14 **Sec. 1.** RCW 9.46.010 and 1996 c 101 s 2 are each amended to read
15 as follows:

16 The public policy of the state of Washington on gambling is to keep
17 the criminal element out of gambling and to promote the social welfare
18 of the people by limiting the nature and scope of gambling activities
19 and by strict regulation and control.

1 It is hereby declared to be the policy of the legislature,
2 recognizing the close relationship between professional gambling and
3 organized crime, to restrain all persons from seeking profit from
4 professional gambling activities in this state; to restrain all persons
5 from patronizing such professional gambling activities; to safeguard
6 the public against the evils induced by common gamblers and common
7 gambling houses engaged in professional gambling; and at the same time,
8 both to preserve the freedom of the press and to avoid restricting
9 participation by individuals in activities and social pastimes, which
10 activities and social pastimes are more for amusement rather than for
11 profit, do not maliciously affect the public, and do not breach the
12 peace.

13 The legislature further declares that the public interest in the
14 regulation and control of gambling is best served in collaboration with
15 and oversight of the department of licensing to ensure consistency in
16 the regulatory framework of the state.

17 The legislature further declares that the raising of funds for the
18 promotion of bona fide charitable or nonprofit organizations is in the
19 public interest as is participation in such activities and social
20 pastimes as are hereinafter in this chapter authorized.

21 The legislature further declares that the conducting of bingo,
22 raffles, and amusement games and the operation of punchboards, pull-
23 tabs, card games and other social pastimes, when conducted pursuant to
24 the provisions of this chapter and any rules and regulations adopted
25 pursuant thereto, are hereby authorized, as are only such lotteries for
26 which no valuable consideration has been paid or agreed to be paid as
27 hereinafter in this chapter provided.

28 The legislature further declares that fishing derbies shall not
29 constitute any form of gambling and shall not be considered as a
30 lottery, a raffle, or an amusement game and shall not be subject to the
31 provisions of this chapter or any rules and regulations adopted
32 hereunder.

33 The legislature further declares that raffles authorized by the
34 fish and wildlife commission involving hunting big game animals or wild
35 turkeys shall not be subject to the provisions of this chapter or any
36 rules and regulations adopted hereunder, with the exception of this
37 section and RCW 9.46.400.

1 All factors incident to the activities authorized in this chapter
2 shall be closely controlled, and the provisions of this chapter shall
3 be liberally construed to achieve such end.

4 **Sec. 2.** RCW 9.46.0201 and 1987 c 4 s 2 are each amended to read as
5 follows:

6 "Amusement game," as used in this chapter, means a game played for
7 entertainment in which:

- 8 (1) The contestant actively participates;
- 9 (2) The outcome depends in a material degree upon the skill of the
10 contestant;
- 11 (3) Only merchandise prizes are awarded;
- 12 (4) The outcome is not in the control of the operator;
- 13 (5) The wagers are placed, the winners are determined, and a
14 distribution of prizes or property is made in the presence of all
15 persons placing wagers at such game; and
- 16 (6) Said game is conducted or operated by any agricultural fair,
17 person, association, or organization in such manner and at such
18 locations as may be authorized by rules and regulations adopted by the
19 (~~commission~~) director pursuant to this chapter as now or hereafter
20 amended.

21 Cake walks as commonly known and fish ponds as commonly known shall
22 be treated as amusement games for all purposes under this chapter.

23 **Sec. 3.** RCW 9.46.0205 and 2002 c 369 s 1 are each amended to read
24 as follows:

25 "Bingo," as used in this chapter, means a game conducted only in
26 the county within which the organization is principally located in
27 which prizes are awarded on the basis of designated numbers or symbols
28 on a card conforming to numbers or symbols selected at random and in
29 which no cards are sold except at the time and place of said game, when
30 said game is conducted by a bona fide charitable or nonprofit
31 organization, or if an agricultural fair authorized under chapters
32 15.76 and 36.37 RCW, which does not conduct bingo on more than twelve
33 consecutive days in any calendar year, and except in the case of any
34 agricultural fair as authorized under chapters 15.76 and 36.37 RCW, no
35 person other than a bona fide member or an employee of said
36 organization takes any part in the management or operation of said

1 game, and no person who takes any part in the management or operation
2 of said game takes any part in the management or operation of any game
3 conducted by any other organization or any other branch of the same
4 organization, unless approved by the (~~commission~~) director, and no
5 part of the proceeds thereof inure to the benefit of any person other
6 than the organization conducting said game. For the purposes of this
7 section, the organization shall be deemed to be principally located in
8 the county within which it has its primary business office. If the
9 organization has no business office, the organization shall be deemed
10 to be located in the county of principal residence of its chief
11 executive officer: PROVIDED, That any organization which is conducting
12 any licensed and established bingo game in any locale as of January 1,
13 1981, shall be exempt from the requirement that such game be conducted
14 in the county in which the organization is principally located.

15 **Sec. 4.** RCW 9.46.0209 and 2007 c 452 s 1 are each amended to read
16 as follows:

17 (1)(a) "Bona fide charitable or nonprofit organization," as used in
18 this chapter, means:

19 (i) Any organization duly existing under the provisions of chapter
20 24.12, 24.20, or 24.28 RCW, any agricultural fair authorized under the
21 provisions of chapters 15.76 or 36.37 RCW, or any nonprofit corporation
22 duly existing under the provisions of chapter 24.03 RCW for charitable,
23 benevolent, eleemosynary, educational, civic, patriotic, political,
24 social, fraternal, athletic or agricultural purposes only, or any
25 nonprofit organization, whether incorporated or otherwise, when found
26 by the (~~commission~~) director to be organized and operating for one or
27 more of the aforesaid purposes only, all of which in the opinion of the
28 (~~commission~~) director have been organized and are operated primarily
29 for purposes other than the operation of gambling activities authorized
30 under this chapter; or

31 (ii) Any corporation which has been incorporated under Title 36
32 U.S.C. and whose principal purposes are to furnish volunteer aid to
33 members of the armed forces of the United States and also to carry on
34 a system of national and international relief and to apply the same in
35 mitigating the sufferings caused by pestilence, famine, fire, floods,
36 and other national calamities and to devise and carry on measures for
37 preventing the same.

1 (b) An organization defined under (a) of this subsection must:

2 (i) Have been organized and continuously operating for at least
3 twelve calendar months immediately preceding making application for any
4 license to operate a gambling activity, or the operation of any
5 gambling activity authorized by this chapter for which no license is
6 required;

7 (ii) Have not less than fifteen bona fide active members each with
8 the right to an equal vote in the election of the officers, or board
9 members, if any, who determine the policies of the organization in
10 order to receive a gambling license; and

11 (iii) Demonstrate to the (~~commission~~) director that it has made
12 significant progress toward the accomplishment of the purposes of the
13 organization during the twelve consecutive month period preceding the
14 date of application for a license or license renewal. The fact that
15 contributions to an organization do not qualify for charitable
16 contribution deduction purposes or that the organization is not
17 otherwise exempt from payment of federal income taxes pursuant to the
18 internal revenue code of 1954, as amended, shall constitute prima facie
19 evidence that the organization is not a bona fide charitable or
20 nonprofit organization for the purposes of this section.

21 (c) Any person, association or organization which pays its
22 employees, including members, compensation other than is reasonable
23 therefor under the local prevailing wage scale shall be deemed paying
24 compensation based in part or whole upon receipts relating to gambling
25 activities authorized under this chapter and shall not be a bona fide
26 charitable or nonprofit organization for the purposes of this chapter.

27 (2) For the purposes of RCW 9.46.0315 and 9.46.110, a bona fide
28 nonprofit organization also includes:

29 (a) A credit union organized and operating under state or federal
30 law. All revenue less prizes and expenses received from raffles
31 conducted by credit unions must be devoted to purposes authorized under
32 this section for charitable and nonprofit organizations; and

33 (b) A group of executive branch state employees that:

34 (i) Has requested and received revocable approval from the agency's
35 chief executive official, or such official's designee, to conduct one
36 or more raffles in compliance with this section;

37 (ii) Conducts a raffle solely to raise funds for either the state
38 combined fund drive, created under RCW 41.04.033; an entity approved to

1 receive funds from the state combined fund drive; or a charitable or
2 benevolent entity, including but not limited to a person or family in
3 need, as determined by a majority vote of the approved group of
4 employees. No person or other entity may receive compensation in any
5 form from the group for services rendered in support of this purpose;

6 (iii) Promptly provides such information about the group's
7 receipts, expenditures, and other activities as the agency's chief
8 executive official or designee may periodically require, and otherwise
9 complies with this section and RCW 9.46.0315; and

10 (iv) Limits the participation in the raffle such that raffle
11 tickets are sold only to, and winners are determined only from, the
12 employees of the agency.

13 **Sec. 5.** RCW 9.46.0217 and 1994 c 120 s 1 are each amended to read
14 as follows:

15 "Commercial stimulant," as used in this chapter, means an activity
16 is operated as a commercial stimulant, for the purposes of this
17 chapter, only when it is an activity operated in connection with an
18 established business, with the purpose of increasing the volume of
19 sales of food or drink for consumption on that business premises. The
20 (~~commission~~) director may by rule establish guidelines and criteria
21 for applying this definition to its applicants and licensees for
22 gambling activities authorized by this chapter as commercial
23 stimulants.

24 **Sec. 6.** RCW 9.46.0221 and 1987 c 4 s 7 are each amended to read as
25 follows:

26 (~~"Commission,"~~) (1) "Director," as used in this chapter, means
27 the director of licensing as appointed by the governor pursuant to RCW
28 43.24.005.

29 (2) "Office," as used in this chapter, means the (~~Washington state~~
30 ~~gambling commission~~) office of gambling regulation within the
31 department of licensing created in RCW 9.46.040.

32 **Sec. 7.** RCW 9.46.0233 and 2000 c 178 s 1 are each amended to read
33 as follows:

34 (1) "Fund raising event," as used in this chapter, means a fund
35 raising event conducted during any seventy-two consecutive hours but

1 exceeding twenty-four consecutive hours and not more than once in any
2 calendar year or a fund raising event conducted not more than twice
3 each calendar year for not more than twenty-four consecutive hours each
4 time by a bona fide charitable or nonprofit organization as defined in
5 RCW 9.46.0209 other than any agricultural fair referred to thereunder,
6 upon authorization therefor by the ((~~commission~~)) director, which the
7 legislature hereby authorizes to issue a license therefor, with or
8 without fee, permitting the following activities, or any of them,
9 during such event: Bingo, amusement games, contests of chance,
10 lotteries, and raffles. However: (a) Gross wagers and bets or revenue
11 generated from participants under subsection (2) of this section
12 received by the organization less the amount of money paid by the
13 organization as winnings, or as payment for services or equipment
14 rental under subsection (2) of this section, and for the purchase cost
15 of prizes given as winnings do not exceed ten thousand dollars during
16 the total calendar days of such fund raising event in the calendar
17 year; (b) such activities shall not include any mechanical gambling or
18 lottery device activated by the insertion of a coin or by the insertion
19 of any object purchased by any person taking a chance by gambling in
20 respect to the device; (c) only bona fide members of the organization
21 who are not paid for such service or persons licensed or approved by
22 the ((~~commission~~)) director under subsection (2) of this section shall
23 participate in the management or operation of the activities, and all
24 income therefrom, after deducting the cost of prizes and other
25 expenses, shall be devoted solely to the lawful purposes of the
26 organization; and (d) such organization shall notify the appropriate
27 local law enforcement agency of the time and place where such
28 activities shall be conducted. The ((~~commission~~)) director shall
29 require an annual information report setting forth in detail the
30 expenses incurred and the revenue received relative to the activities
31 permitted.

32 (2) Bona fide charitable or nonprofit organizations may hire a
33 person or vendor, who is licensed or approved by the ((~~commission~~))
34 director, to organize and conduct a fund raising event on behalf of the
35 sponsoring organization subject to the following restrictions:

36 (a) The person or vendor may not provide the facility for the
37 event;

1 (b) The person or vendor may use paid personnel and may be
2 compensated by a fixed fee determined prior to the event, but may not
3 share in the proceeds of the event;

4 (c) All wagers must be made with scrip or chips having no cash
5 value. At the end of the event, participants may be given the
6 opportunity to purchase or otherwise redeem their scrip or chips for
7 merchandise prizes;

8 (d) The value of all purchased prizes must not exceed ten percent
9 of the gross revenue from the event; and

10 (e) Only members and guests of the sponsoring organization may
11 participate in the event.

12 (3) Bona fide charitable or nonprofit organizations holding a
13 license to conduct a fund raising event may join together to jointly
14 conduct a fund raising event if:

15 (a) Approval to do so is received from the ((~~commission~~)) director;
16 and

17 (b) The method of dividing the income and expenditures and the
18 method of recording and handling of funds are disclosed to the
19 ((~~commission~~)) director in the application for approval of the joint
20 fund raising event and are approved by the ((~~commission~~)) director.

21 The gross wagers and bets or revenue generated from participants
22 under subsection (2) of this section received by the organizations less
23 the amount of money paid by the organizations as winnings, or as
24 payment for services or equipment rental under subsection (2) of this
25 section, and for the purchase costs of prizes given as winnings may not
26 exceed ten thousand dollars during the total calendar days of such
27 event. The net receipts each organization receives shall count against
28 the organization's annual limit stated in this subsection.

29 A joint fund raising event shall count against only the lead
30 organization or organizations receiving fifty percent or more of the
31 net receipts for the purposes of the number of such events an
32 organization may conduct each year.

33 The ((~~commission~~)) director may issue a joint license for a joint
34 fund raising event and charge a license fee for such license according
35 to a schedule of fees adopted by the ((~~commission~~)) director which
36 reflects the added cost to the ((~~commission of licensing~~)) office more
37 than one licensee for the event.

1 **Sec. 8.** RCW 9.46.0261 and 1987 c 4 s 16 are each amended to read
2 as follows:

3 "Member" and "bona fide member," as used in this chapter, mean a
4 person accepted for membership in an organization eligible to be
5 licensed by the (~~commission~~) director under this chapter upon
6 application, with such action being recorded in the official minutes of
7 a regular meeting or who has held full and regular membership status in
8 the organization for a period of not less than twelve consecutive
9 months prior to participating in the management or operation of any
10 gambling activity. Such membership must in no way be dependent upon,
11 or in any way related to, the payment of consideration to participate
12 in any gambling activity.

13 Member or bona fide member shall include only members of an
14 organization's specific chapter or unit licensed by the (~~commission~~)
15 director or otherwise actively conducting the gambling activity:
16 PROVIDED, That:

17 (1) Members of chapters or local units of a state, regional or
18 national organization may be considered members of the parent
19 organization for the purpose of a gambling activity conducted by the
20 parent organization, if the rules of the parent organization so permit;

21 (2) Members of a bona fide auxiliary to a principal organization
22 may be considered members of the principal organization for the purpose
23 of a gambling activity conducted by the principal organization.
24 Members of the principal organization may also be considered members of
25 its auxiliary for the purpose of a gambling activity conducted by the
26 auxiliary; and

27 (3) Members of any chapter or local unit within the jurisdiction of
28 the next higher level of the parent organization, and members of a bona
29 fide auxiliary to that chapter or unit, may assist any other chapter or
30 local unit of that same organization licensed by the (~~commission~~)
31 director in the conduct of gambling activities.

32 No person shall be a member of any organization if that person's
33 primary purpose for membership is to become, or continue to be, a
34 participant in, or an operator or manager of, any gambling activity or
35 activities.

36 **Sec. 9.** RCW 9.46.0273 and 1987 c 4 s 19 are each amended to read
37 as follows:

1 "Punchboards" and "pull-tabs," as used in this chapter, shall be
2 given their usual and ordinary meaning as of July 16, 1973, except that
3 such definition may be revised by the ((~~commission~~)) director pursuant
4 to rules and regulations promulgated pursuant to this chapter.

5 **Sec. 10.** RCW 9.46.0282 and 1997 c 118 s 1 are each amended to read
6 as follows:

7 "Social card game" as used in this chapter means a card game that
8 constitutes gambling and is authorized by the ((~~commission~~)) director
9 under RCW 9.46.070. Authorized card games may include a house-banked
10 or a player-funded banked card game. No one may participate in the
11 card game or have an interest in the proceeds of the card game who is
12 not a player or a person licensed by the ((~~commission~~)) director to
13 participate in social card games. There shall be two or more
14 participants in the card game who are players or persons licensed by
15 the ((~~commission~~)) director. The card game must be played in
16 accordance with the rules adopted by the ((~~commission~~)) director under
17 RCW 9.46.070, which shall include but not be limited to rules for the
18 collection of fees, limitation of wagers, and management of player
19 funds. The number of tables authorized shall be set by the
20 ((~~commission~~)) director but shall not exceed a total of fifteen
21 separate tables per establishment.

22 **Sec. 11.** RCW 9.46.0311 and 1987 c 4 s 26 are each amended to read
23 as follows:

24 The legislature hereby authorizes bona fide charitable or nonprofit
25 organizations to conduct bingo games, raffles, amusement games, and
26 fund raising events, and to utilize punchboards and pull-tabs and to
27 allow their premises and facilities to be used by only members, their
28 guests, and members of a chapter or unit organized under the same
29 state, regional, or national charter or constitution, to play social
30 card games authorized by the ((~~commission~~)) director, when licensed,
31 conducted or operated pursuant to the provisions of this chapter and
32 rules and regulations adopted pursuant thereto.

33 **Sec. 12.** RCW 9.46.0315 and 1991 c 192 s 4 are each amended to read
34 as follows:

35 Bona fide charitable or bona fide nonprofit organizations organized

1 primarily for purposes other than the conduct of raffles, are hereby
2 authorized to conduct raffles without obtaining a license to do so from
3 the ((~~commission~~)) director when such raffles are held in accordance
4 with all other requirements of this chapter, other applicable laws, and
5 rules ((~~of the commission~~)) adopted by the director; when gross
6 revenues from all such raffles held by the organization during the
7 calendar year do not exceed five thousand dollars; and when tickets to
8 such raffles are sold only to, and winners are determined only from
9 among, the regular members of the organization conducting the raffle.
10 The organization may provide unopened containers of beverages
11 containing alcohol as raffle prizes if the appropriate permit has been
12 obtained from the liquor control board: PROVIDED, That the term
13 members for this purpose shall mean only those persons who have become
14 members prior to the commencement of the raffle and whose qualification
15 for membership was not dependent upon, or in any way related to, the
16 purchase of a ticket, or tickets, for such raffles.

17 **Sec. 13.** RCW 9.46.0321 and 1987 c 4 s 28 are each amended to read
18 as follows:

19 Bona fide charitable or bona fide nonprofit organizations organized
20 primarily for purposes other than the conduct of such activities are
21 hereby authorized to conduct bingo, raffles, and amusement games,
22 without obtaining a license to do so from the ((~~commission~~)) director
23 but only when:

24 (1) Such activities are held in accordance with all other
25 requirements of this chapter, other applicable laws, and rules ((~~of the~~
26 ~~commission~~)) adopted by the director;

27 (2) Said activities are, alone or in any combination, conducted no
28 more than twice each calendar year and over a period of no more than
29 twelve consecutive days each time, notwithstanding the limitations of
30 RCW 9.46.0205: PROVIDED, That a raffle conducted under this subsection
31 may be conducted for a period longer than twelve days;

32 (3) Only bona fide members of that organization, who are not paid
33 for such services, participate in the management or operation of the
34 activities;

35 (4) Gross revenues to the organization from all the activities
36 together do not exceed five thousand dollars during any calendar year;

1 (5) All revenue therefrom, after deducting the cost of prizes and
2 other expenses of the activity, is devoted solely to the purposes for
3 which the organization qualifies as a bona fide charitable or nonprofit
4 organization;

5 (6) The organization gives notice at least five days in advance of
6 the conduct of any of the activities to the local police agency of the
7 jurisdiction within which the activities are to be conducted of the
8 organization's intent to conduct the activities, the location of the
9 activities, and the date or dates they will be conducted; and

10 (7) The organization conducting the activities maintains records
11 for a period of one year from the date of the event which accurately
12 show at a minimum the gross revenue from each activity, details of the
13 expenses of conducting the activities, and details of the uses to which
14 the gross revenue therefrom is put.

15 **Sec. 14.** RCW 9.46.0331 and 1991 c 287 s 1 are each amended to read
16 as follows:

17 The legislature hereby authorizes any person to conduct or operate
18 amusement games when licensed and operated pursuant to the provisions
19 of this chapter and rules and regulations adopted by the ((~~commission~~))
20 director at such locations as the ((~~commission~~)) director may
21 authorize. The rules shall provide for at least the following:

22 (1) Persons other than bona fide charitable or bona fide nonprofit
23 organizations shall conduct amusement games only after obtaining a
24 special amusement game license from the ((~~commission~~)) office.

25 (2) Amusement games may be conducted under such a license only as
26 a part of, and upon the site of:

27 (a) Any agricultural fair as authorized under chapter 15.76 or
28 36.37 RCW; or

29 (b) A civic center of a county, city, or town; or

30 (c) A world's fair or similar exposition that is approved by the
31 bureau of international expositions at Paris, France; or

32 (d) A community-wide civic festival held not more than once
33 annually and sponsored or approved by the city, town, or county in
34 which it is held; or

35 (e) A commercial exposition organized and sponsored by an
36 organization or association representing the retail sales and service
37 operators conducting business in a shopping center or other commercial

1 area developed and operated for retail sales and service, but only upon
2 a parking lot or similar area located in said shopping center or
3 commercial area for a period of no more than seventeen consecutive days
4 by any licensee during any calendar year; or

5 (f) An amusement park. An amusement park is a group of activities,
6 at a permanent location, to which people go to be entertained through
7 a combination of various mechanical or aquatic rides, theatrical
8 productions, motion picture, and/or slide show presentations with food
9 and drink service. The amusement park must include at least five
10 different mechanical, or aquatic rides, three additional activities,
11 and the gross receipts must be primarily from these amusement
12 activities; or

13 (g) Within a regional shopping center. A regional shopping center
14 is a shopping center developed and operated for retail sales and
15 service by retail sales and service operators and consisting of more
16 than six hundred thousand gross square feet not including parking
17 areas. Amusement games conducted as a part of, and upon the site of,
18 a regional shopping center shall not be subject to the prohibition on
19 revenue sharing set forth in RCW 9.46.120(2); or

20 (h) A location that possesses a valid license from the Washington
21 state liquor (~~(control)~~) control board and prohibits minors on their
22 premises; or

23 (i) Movie theaters, bowling alleys, miniature golf course
24 facilities, and amusement centers. For the purposes of this section an
25 amusement center shall be defined as a permanent location whose primary
26 source of income is from the operation of ten or more amusement
27 devices; or

28 (j) Any business whose primary activity is to provide food service
29 for on premises consumption and who offers family entertainment which
30 includes at least three of the following activities: Amusement
31 devices; theatrical productions; mechanical rides; motion pictures; and
32 slide show presentations.

33 (3) No amusement games may be conducted in any location except in
34 conformance with local zoning, fire, health, and similar regulations.
35 In no event may the licensee conduct any amusement games at any of the
36 locations set out in subsection (2) of this section without first
37 having obtained the written permission to do so from the person or
38 organization owning the premises or an authorized agent thereof, and

1 from the persons sponsoring the fair, exhibition, commercial
2 exhibition, or festival, or from the city or town operating the civic
3 center, in connection with which the games are to be operated.

4 (4) In no event may a licensee conduct any amusement games at the
5 location described in subsection (2)(g) of this section, without, at
6 the location of such games, providing adult supervision during all
7 hours the licensee is open for business at such location, prohibiting
8 school-age minors from entry during school hours, maintaining full-time
9 personnel whose responsibilities include maintaining security and daily
10 machine maintenance, and providing for hours for the close of business
11 at such location that are no later than 10:00 p.m. on Fridays and
12 Saturdays and on all other days that are the same as those of the
13 regional shopping center in which the licensee is located.

14 (5) In no event may a licensee conduct any amusement game at a
15 location described in subsection (2)(i) or (j) of this section,
16 without, at the location of such games, providing adult supervision
17 during all hours the licensee is open for business at such location,
18 prohibiting school-age minors from playing licensed amusement games
19 during school hours, maintaining full-time personnel whose
20 responsibilities include maintaining security and daily machine
21 maintenance, and prohibiting minors from playing the amusement games
22 after 10:00 p.m. on any day.

23 **Sec. 15.** RCW 9.46.0335 and 1987 c 4 s 31 are each amended to read
24 as follows:

25 The legislature hereby authorizes any person, association, or
26 organization to conduct sports pools without a license to do so from
27 the ((~~commission~~)) director but only when the outcome of which is
28 dependent upon the score, or scores, of a certain athletic contest and
29 which is conducted only in the following manner:

30 (1) A board or piece of paper is divided into one hundred equal
31 squares, each of which constitutes a chance to win in the sports pool
32 and each of which is offered directly to prospective contestants at one
33 dollar or less;

34 (2) The purchaser of each chance or square signs his or her name on
35 the face of each square or chance he or she purchases; and

36 (3) At some time not later than prior to the start of the subject

1 athletic contest the pool is closed and no further chances in the pool
2 are sold;

3 (4) After the pool is closed a prospective score is assigned by
4 random drawing to each square;

5 (5) All money paid by entrants to enter the pool less taxes is paid
6 out as the prize or prizes to those persons holding squares assigned
7 the winning score or scores from the subject athletic contest;

8 (6) The sports pool board is available for inspection by any person
9 purchasing a chance thereon, the (~~commission~~) director, or by any law
10 enforcement agency upon demand at all times prior to the payment of the
11 prize;

12 (7) The person or organization conducting the pool is conducting no
13 other sports pool on the same athletic event; and

14 (8) The sports pool conforms to any rules and regulations (~~of the~~
15 ~~commission~~) adopted by the director applicable thereto.

16 **Sec. 16.** RCW 9.46.0341 and 1997 c 38 s 1 are each amended to read
17 as follows:

18 The legislature hereby authorizes bona fide charitable or nonprofit
19 organizations to conduct, without the necessity of obtaining a permit
20 or license to do so from the (~~commission~~) director, golfing
21 sweepstakes permitting wagers of money, and the same shall not
22 constitute such gambling or lottery as otherwise prohibited in this
23 chapter, or be subject to civil or criminal penalties thereunder, but
24 this only when the outcome of such golfing sweepstakes is dependent
25 upon the score, or scores, or the playing ability, or abilities, of a
26 golfing contest between individual players or teams of such players,
27 conducted in the following manner:

28 (1) Wagers are placed by buying tickets on any players in a golfing
29 contest to "win," "place," or "show" and those holding tickets on the
30 three winners may receive a payoff similar to the system of betting
31 identified as parimutuel, such moneys placed as wagers to be used
32 primarily as winners' proceeds, except moneys used to defray the
33 expenses of such golfing sweepstakes or otherwise used to carry out the
34 purposes of such organization; or

35 (2) Participants in any golfing contest(s) pay a like sum of money
36 into a common fund on the basis of attaining a stated number of points
37 ascertainable from the score of such participants, and those

1 participants attaining such stated number of points share equally in
2 the moneys in the common fund, without any percentage of such moneys
3 going to the sponsoring organization; or

4 (3) An auction is held in which persons may bid on the players or
5 teams of players in the golfing contest, and the person placing the
6 highest bid on the player or team that wins the golfing contest
7 receives the proceeds of the auction, except moneys used to defray the
8 expenses of the golfing sweepstakes or otherwise used to carry out the
9 purposes of the organizations; and

10 (4) Participation is limited to members of the sponsoring
11 organization and their bona fide guests.

12 **Sec. 17.** RCW 9.46.0345 and 1987 c 4 s 33 are each amended to read
13 as follows:

14 The legislature hereby authorizes bowling establishments to
15 conduct, without the necessity of obtaining a permit or license to do
16 so, as a commercial stimulant, a bowling activity which permits bowlers
17 to purchase tickets from the establishment for a predetermined and
18 posted amount of money, which tickets are then selected by the luck of
19 the draw and the holder of the matching ticket so drawn has an
20 opportunity to bowl a strike and if successful receives a predetermined
21 and posted monetary prize: PROVIDED, That all sums collected by the
22 establishment from the sale of tickets shall be returned to purchasers
23 of tickets and no part of the proceeds shall inure to any person other
24 than the participants winning in the game or a recognized charity. The
25 tickets shall be sold, and accounted for, separately from all other
26 sales of the establishment. The price of any single ticket shall not
27 exceed one dollar. Accounting records shall be available for
28 inspection during business hours by any person purchasing a chance
29 thereon, by the (~~commission~~) director or (~~its~~) representatives of
30 the director, or by any law enforcement agency.

31 **Sec. 18.** RCW 9.46.0351 and 1999 c 143 s 5 are each amended to read
32 as follows:

33 (1) The legislature hereby authorizes any bona fide charitable or
34 nonprofit organization which is licensed pursuant to RCW 66.24.400, and
35 its officers and employees, to allow the use of the premises,
36 furnishings, and other facilities not gambling devices of such

1 organization by members of the organization, and members of a chapter
2 or unit organized under the same state, regional, or national charter
3 or constitution, who engage as players in the following types of
4 gambling activities only:

5 (a) Social card games; and

6 (b) Social dice games, which shall be limited to contests of
7 chance, the outcome of which are determined by one or more rolls of
8 dice.

9 (2) Bona fide charitable or nonprofit organizations shall not be
10 required to be licensed by the (~~commission~~) director in order to
11 allow use of their premises in accordance with this section. However,
12 the following conditions must be met:

13 (a) No organization, corporation, or person shall collect or obtain
14 or charge any percentage of or shall collect or obtain any portion of
15 the money or thing of value wagered or won by any of the players:
16 PROVIDED, That a player may collect his or her winnings; and

17 (b) No organization, corporation, or person shall collect or obtain
18 any money or thing of value from, or charge or impose any fee upon, any
19 person which either enables him or her to play or results in or from
20 his or her playing: PROVIDED, That this subsection shall not preclude
21 collection of a membership fee which is unrelated to participation in
22 gambling activities authorized under this section.

23 **Sec. 19.** RCW 9.46.0356 and 2000 c 228 s 1 are each amended to read
24 as follows:

25 (1) The legislature authorizes a business to conduct a promotional
26 contest of chance as defined in this section, in this state, or
27 partially in this state, whereby the elements of prize and chance are
28 present but in which the element of consideration is not present.

29 (2) Promotional contests of chance under this section are not
30 gambling as defined in RCW 9.46.0237.

31 (3) Promotional contests of chance shall be conducted as
32 advertising and promotional undertakings solely for the purpose of
33 advertising or promoting the services, goods, wares, and merchandise of
34 a business.

35 (4) No person eligible to receive a prize in a promotional contest
36 of chance may be required to:

1 (a) Pay any consideration to the promoter or operator of the
2 business in order to participate in the contest; or

3 (b) Purchase any service, goods, wares, merchandise, or anything of
4 value from the business, however, for other than contests entered
5 through a direct mail solicitation, the promoter or sponsor may give
6 additional entries or chances upon purchase of service, goods, wares,
7 or merchandise if the promoter or sponsor provides an alternate method
8 of entry requiring no consideration.

9 (5)(a) As used in this section, "consideration" means anything of
10 pecuniary value required to be paid to the promoter or sponsor in order
11 to participate in a promotional contest. Such things as visiting a
12 business location, placing or answering a telephone call, completing an
13 entry form or customer survey, or furnishing a stamped, self-addressed
14 envelope do not constitute consideration.

15 (b) Coupons or entry blanks obtained by purchase of a bona fide
16 newspaper or magazine or in a program sold in conjunction with a
17 regularly scheduled sporting event are not consideration.

18 (6) Unless authorized by the (~~commission~~) director, equipment or
19 devices made for use in a gambling activity are prohibited from use in
20 a promotional contest.

21 (7) This section shall not be construed to permit noncompliance
22 with chapter 19.170 RCW, promotional advertising of prizes, and chapter
23 19.86 RCW, unfair business practices.

24 **Sec. 20.** RCW 9.46.0361 and 1987 c 4 s 36 are each amended to read
25 as follows:

26 The legislature hereby authorizes bona fide charitable or nonprofit
27 organizations to conduct, without the necessity of obtaining a permit
28 or license to do so from the (~~commission~~) director, turkey shoots
29 permitting wagers of money. Such contests shall not constitute such
30 gambling or lottery as otherwise prohibited in this chapter, or be
31 subject to civil or criminal penalties. Such organizations must be
32 organized for purposes other than the conduct of turkey shoots.

33 Such turkey shoots shall be held in accordance with all other
34 requirements of this chapter, other applicable laws, and rules that may
35 be adopted by the (~~commission~~) director. Gross revenues from all
36 such turkey shoots held by the organization during the calendar year

1 shall not exceed five thousand dollars. Turkey shoots conducted under
2 this section shall meet the following requirements:

3 (1) The target shall be divided into one hundred or fewer equal
4 sections, with each section constituting a chance to win. Each chance
5 shall be offered directly to a prospective contestant for one dollar or
6 less;

7 (2) The purchaser of each chance shall sign his or her name on the
8 face of the section he or she purchases;

9 (3) The person shooting at the target shall not be a participant in
10 the contest, but shall be a member of the organization conducting the
11 contest;

12 (4) Participation in the contest shall be limited to members of the
13 organization which is conducting the contest and their guests;

14 (5) The target shall contain the following information:

15 (a) Distance from the shooting position to the target;

16 (b) The gauge of the shotgun;

17 (c) The type of choke on the barrel;

18 (d) The size of shot that will be used; and

19 (e) The prize or prizes that are to be awarded in the contest;

20 (6) The targets, shotgun, and ammunition shall be available for
21 inspection by any person purchasing a chance thereon, the
22 (~~commission~~) director, or by any law enforcement agency upon demand,
23 at all times before the prizes are awarded;

24 (7) The turkey shoot shall award the prizes based upon the greatest
25 number of shots striking a section;

26 (8) No turkey shoot may offer as a prize the right to advance or
27 continue on to another turkey shoot or turkey shoot target; and

28 (9) Only bona fide members of the organization who are not paid for
29 such service may participate in the management or operation of the
30 turkey shoot, and all income therefrom, after deducting the cost of
31 prizes and other expenses, shall be devoted solely to the lawful
32 purposes of the organization.

33 **Sec. 21.** RCW 9.46.040 and 1974 ex.s. c 155 s 12 are each amended
34 to read as follows:

35 There shall be (~~a commission, known as the "Washington state~~
36 ~~gambling commission", consisting of five members appointed by the~~
37 ~~governor with the consent of the senate. The members of the commission~~

1 shall be appointed within thirty days of July 16, 1973 for terms
2 beginning July 1, 1973, and expiring as follows: One member of the
3 commission for a term expiring July 1, 1975; one member of the
4 commission for a term expiring July 1, 1976; one member of the
5 commission for a term expiring July 1, 1977; one member of the
6 commission for a term expiring July 1, 1978; and one member of the
7 commission for a term expiring July 1, 1979; each as the governor so
8 determines. Their successors, all of whom shall be citizen members
9 appointed by the governor with the consent of the senate, upon being
10 appointed and qualified, shall serve six year terms: PROVIDED, That no
11 member of the commission who has served a full six year term shall be
12 eligible for reappointment. In case of a vacancy, it shall be filled
13 by appointment by the governor for the unexpired portion of the term in
14 which said vacancy occurs. No vacancy in the membership of the
15 commission shall impair the right of the remaining member or members to
16 act, except as in RCW 9.46.050(2) provided.

17 In addition to the members of the commission there shall be four ex
18 officio members without vote from the legislature consisting of: (1)
19 Two members of the senate, one from the majority political party and
20 one from the minority political party, both to be appointed by the
21 president of the senate; (2) two members of the house of
22 representatives, one from the majority political party and one from the
23 minority political party, both to be appointed by the speaker of the
24 house of representatives; such appointments shall be for the term of
25 two years or for the period in which the appointee serves as a
26 legislator, whichever expires first; members may be reappointed;
27 vacancies shall be filled in the same manner as original appointments
28 are made. Such ex officio members who shall collect data deemed
29 essential to future legislative proposals and exchange information with
30 the board shall be deemed engaged in legislative business while in
31 attendance upon the business of the board and shall be limited to such
32 allowances therefor as otherwise provided in RCW 44.04.120, the same to
33 be paid from the "gambling revolving fund" as being expenses relative
34 to commission business)) an office of gambling regulation within the
35 department of licensing.

36 **Sec. 22.** RCW 9.46.060 and 1973 1st ex.s. c 218 s 6 are each
37 amended to read as follows:

1 (1) The attorney general shall be general counsel for the ((state
2 ~~gambling commission~~)) office and shall assign such assistants as may be
3 necessary in carrying out the purposes and provisions of this chapter,
4 which shall include instituting and prosecuting any actions and
5 proceedings necessary thereto.

6 (2) The state auditor shall audit the books, records, and affairs
7 of the ((~~commission~~)) office annually. The ((~~commission~~)) office shall
8 pay to the state treasurer for the credit of the state auditor such
9 funds as may be necessary to defray the costs of such audits. The
10 ((~~commission~~)) office may provide for additional audits by certified
11 public accountants. All such audits shall be public records of the
12 state.

13 The payment for legal services and audits as authorized in this
14 section shall be paid upon authorization of the ((~~commission~~)) director
15 from moneys in the department of licensing gambling revolving fund.

16 **Sec. 23.** RCW 9.46.070 and 2007 c 206 s 1 are each amended to read
17 as follows:

18 The ((~~commission~~)) director or representatives of the director
19 shall have the following powers and duties:

20 (1) To authorize and issue licenses for a period not to exceed one
21 year to bona fide charitable or nonprofit organizations approved by the
22 ((~~commission~~)) director meeting the requirements of this chapter and
23 any rules and regulations adopted pursuant thereto permitting said
24 organizations to conduct bingo games, raffles, amusement games, and
25 social card games, to utilize punchboards and pull-tabs in accordance
26 with the provisions of this chapter and any rules and regulations
27 adopted pursuant thereto and to revoke or suspend said licenses for
28 violation of any provisions of this chapter or any rules and
29 regulations adopted pursuant thereto: PROVIDED, That the
30 ((~~commission~~)) director shall not deny a license to an otherwise
31 qualified applicant in an effort to limit the number of licenses to be
32 issued: AND PROVIDED FURTHER, That the ((~~commission~~ ~~or~~)) director
33 shall not issue, deny, suspend, or revoke any license because of
34 considerations of race, sex, creed, color, or national origin((~~or~~ ~~AND~~
35 ~~PROVIDED FURTHER, That the commission may authorize the director to~~
36 ~~temporarily issue or suspend licenses subject to final action by the~~
37 ~~commission~~));

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

17 (3) To authorize and issue licenses for a period not to exceed one
18 year to any person, association, or organization approved by the
19 ~~((commission))~~ director meeting the requirements of this chapter and
20 meeting the requirements of any rules and regulations adopted by the
21 ~~((commission))~~ director pursuant to this chapter as now or hereafter
22 amended, permitting said person, association, or organization to
23 conduct or operate amusement games in such manner and at such locations
24 as the ~~((commission))~~ director may determine(~~(. — The commission may~~
25 ~~authorize the director to temporarily issue or suspend licenses subject~~
26 ~~to final action by the commission))~~);

27 (4) To authorize, require, and issue, for a period not to exceed
28 one year, such licenses as the ~~((commission))~~ director may by rule
29 provide, to any person, association, or organization to engage in the
30 selling, distributing, or otherwise supplying or in the manufacturing
31 of devices for use within this state for those activities authorized by
32 this chapter(~~(. — The commission may authorize the director to~~
33 ~~temporarily issue or suspend licenses subject to final action by the~~
34 ~~commission))~~);

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))~~ director, which
38 fees shall provide to the ~~((commission))~~ office not less than an amount

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

28 (6) To prescribe the manner and method of payment of taxes, fees
29 and penalties to be paid to or collected by the ((~~commission~~)) office;

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

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

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

20 (9) To require that all income from bingo games, raffles, and
21 amusement games be recorded and reported as established by rule or
22 regulation of the ((~~commission~~)) director to the extent deemed
23 necessary by considering the scope and character of the gambling
24 activity in such a manner that will disclose gross income from any
25 gambling activity, amounts received from each player, the nature and
26 value of prizes, and the fact of distributions of such prizes to the
27 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~~)) director shall take into account (a) the
31 nature, character, and scope of the activities of the licensee; (b) the
32 source of all other income of the licensee; and (c) the percentage or
33 extent to which income derived from bingo is used for charitable, as
34 distinguished from nonprofit, purposes. However, the ((~~commission's~~))
35 director's powers and duties granted by this subsection are
36 discretionary and not 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 adopted
14 pursuant to the administrative procedure act, chapter 34.05 RCW;

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

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

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

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

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

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

25 (20) To renew the license of every person who applies for renewal
26 within six months after being honorably discharged, removed, or
27 released from active military service in the armed forces of the United
28 States upon payment of the renewal fee applicable to the license
29 period, if there is no cause for denial, suspension, or revocation of
30 the license; and

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

33 **Sec. 24.** RCW 9.46.0701 and 2002 c 369 s 2 are each amended to read
34 as follows:

35 The ((~~commission~~)) director may allow existing licensees under RCW
36 9.46.070(1) to share facilities at one location.

1 **Sec. 25.** RCW 9.46.071 and 2005 c 369 s 9 are each amended to read
2 as follows:

3 (1) The legislature recognizes that some individuals in this state
4 are problem or pathological gamblers. Because the state promotes and
5 regulates gambling through the activities of the state lottery
6 commission, the Washington horse racing commission, and the
7 (~~Washington state gambling commission~~) office, the state has the
8 responsibility to continue to provide resources for the support of
9 services for problem and pathological gamblers. Therefore, the
10 (~~Washington state gambling commission~~) office, the Washington horse
11 racing commission, and the state lottery commission shall jointly
12 develop informational signs concerning problem and pathological
13 gambling which include a toll-free hot line number for problem and
14 pathological gamblers. The signs shall be placed in the establishments
15 of gambling licensees, horse racing licensees, and lottery retailers.
16 In addition, the (~~Washington state gambling commission~~) office, the
17 Washington horse racing commission, and the state lottery commission
18 may also contract with other qualified entities to provide public
19 awareness, training, and other services to ensure the intent of this
20 section is fulfilled.

21 (2)(a) During any period in which RCW 82.04.285(2) is in effect,
22 the (~~commission~~) director may not increase fees payable by licensees
23 under its jurisdiction for the purpose of funding services for problem
24 and pathological gambling. Any fee imposed or increased by the
25 (~~commission~~) director, for the purpose of funding these services,
26 before July 1, 2005, shall have no force and effect after July 1, 2005.

27 (b) During any period in which RCW 82.04.285(2) is not in effect:

28 (i) The (~~commission~~) director, the Washington state horse racing
29 commission, and the state lottery commission may contract for services,
30 in addition to those authorized in subsection (1) of this section, to
31 assist in providing for treatment of problem and pathological gambling;
32 and

33 (ii) The (~~commission~~) director may increase fees payable by
34 (~~licenses~~ ~~[licensees]~~) licensees under its jurisdiction for the
35 purpose of funding the services authorized in this section for problem
36 and pathological gamblers.

1 **Sec. 26.** RCW 9.46.075 and 1981 c 139 s 4 are each amended to read
2 as follows:

3 The (~~commission~~) director may deny an application, or suspend or
4 revoke any license or permit issued by it, for any reason or reasons,
5 it deems to be in the public interest. These reasons shall include,
6 but not be limited to, cases wherein the applicant or licensee, or any
7 person with any interest therein:

8 (1) Has violated, failed or refused to comply with the provisions,
9 requirements, conditions, limitations or duties imposed by this chapter
10 (~~9.46 RCW~~) and any amendments thereto, or any rules adopted by the
11 (~~commission~~) director pursuant thereto, or when a violation of any
12 provision of this chapter (~~9.46 RCW~~), or any (~~commission~~) rule
13 adopted by the director, has occurred upon any premises occupied or
14 operated by any such person or over which he or she has substantial
15 control;

16 (2) Knowingly causes, aids, abets, or conspires with another to
17 cause, any person to violate any of the laws of this state or the rules
18 (~~of the commission~~) adopted by the director;

19 (3) Has obtained a license or permit by fraud, misrepresentation,
20 concealment, or through inadvertence or mistake;

21 (4) Has been convicted of, or forfeited bond upon a charge of, or
22 pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud,
23 wilful failure to make required payments or reports to a governmental
24 agency at any level, or filing false reports therewith, or of any
25 similar offense or offenses, or of bribing or otherwise unlawfully
26 influencing a public official or employee of any state or the United
27 States, or of any crime, whether a felony or misdemeanor involving any
28 gambling activity or physical harm to individuals or involving moral
29 turpitude;

30 (5) Denies the (~~commission~~) director or (~~its authorized~~)
31 representatives of the director, including authorized local law
32 enforcement agencies, access to any place where a licensed activity is
33 conducted or who fails promptly to produce for inspection or audit any
34 book, record, document, or item required by law or (~~commission~~) rule
35 adopted by the director;

36 (6) Shall fail to display its license on the premises where the
37 licensed activity is conducted at all times during the operation of the
38 licensed activity;

1 (7) Makes a misrepresentation of, or fails to disclose, a material
2 fact to the (~~commission~~) director or representatives of the director;

3 (8) Fails to prove, by clear and convincing evidence, that he, she
4 or it is qualified in accordance with the provisions of this chapter;

5 (9) Is subject to current prosecution or pending charges, or a
6 conviction which is under appeal, for any of the offenses included
7 under subsection (4) of this section: PROVIDED, That at the request of
8 an applicant for an original license, the (~~commission~~) director may
9 defer decision upon the application during the pendency of such
10 prosecution or appeal;

11 (10) Has pursued or is pursuing economic gain in an occupational
12 manner or context which is in violation of the criminal or civil public
13 policy of this state if such pursuit creates probable cause to believe
14 that the participation of such person in gambling or related activities
15 would be inimical to the proper operation of an authorized gambling or
16 related activity in this state. For the purposes of this section,
17 occupational manner or context shall be defined as the systematic
18 planning, administration, management or execution of an activity for
19 financial gain;

20 (11) Is a career offender or a member of a career offender cartel
21 or an associate of a career offender or career offender cartel in such
22 a manner which creates probable cause to believe that the association
23 is of such a nature as to be inimical to the policy of this chapter or
24 to the proper operation of the authorized gambling or related
25 activities in this state. For the purposes of this section, career
26 offender shall be defined as any person whose behavior is pursued in an
27 occupational manner or context for the purpose of economic gain
28 utilizing such methods as are deemed criminal violations of the public
29 policy of this state. A career offender cartel shall be defined as any
30 group of persons who operate together as career offenders.

31 For the purpose of reviewing any application for a license and for
32 considering the denial, suspension, or revocation of any license the
33 (~~gambling commission~~) director may consider any prior criminal
34 conduct of the applicant or licensee and the provisions of RCW 9.95.240
35 and of chapter 9.96A RCW shall not apply to such cases.

36 **Sec. 27.** RCW 9.46.077 and 1981 c 139 s 5 are each amended to read
37 as follows:

1 The ((~~commission~~)) director, when suspending any license for a
2 period of thirty days or less, may further provide in the order of
3 suspension that such suspension shall be vacated upon payment to the
4 ((~~commission~~)) office of a monetary penalty in an amount then fixed by
5 the ((~~commission~~)) director.

6 **Sec. 28.** RCW 9.46.080 and 1994 c 218 s 14 are each amended to read
7 as follows:

8 The ((~~commission~~)) director shall employ a full time assistant
9 director, who shall be the administrator for the ((~~commission~~)) office
10 in carrying out ((~~its~~)) the director's powers and duties and who shall
11 issue rules and regulations adopted by the ((~~commission~~)) director
12 governing the activities authorized hereunder and shall supervise
13 ((~~commission~~)) office employees in carrying out the purposes and
14 provisions of this chapter. ~~((In addition, the director shall employ
15 a deputy director, not more than three assistant directors, together
16 with such investigators and enforcement officers and such staff as the
17 commission determines is necessary to carry out the purposes and
18 provisions of this chapter. The director, the deputy director, the
19 assistant directors, and personnel occupying positions requiring the
20 performing of undercover investigative work shall be exempt from the
21 provisions of chapter 41.06 RCW, as now law or hereafter amended.))~~
22 Neither the assistant director nor any ((~~commission~~)) office employee
23 working therefor shall be an officer or manager of any bona fide
24 charitable or bona fide nonprofit organization, or of any organization
25 which conducts gambling activity in this state.

26 ~~((The director, subject to the approval of the commission, is
27 authorized to enter into agreements on behalf of the commission for
28 mutual assistance and services, based upon actual costs, with any state
29 or federal agency or with any city, town, or county, and such state or
30 local agency is authorized to enter into such an agreement with the
31 commission. If a needed service is not available from another agency
32 of state government within a reasonable time, the director may obtain
33 that service from private industry.))~~

34 **Sec. 29.** RCW 9.46.085 and 1986 c 4 s 1 are each amended to read as
35 follows:

1 ((A member or)) An employee of the office of gambling
2 ((commission)) regulation shall not:

3 (1) Serve as an officer or manager of any corporation or
4 organization which conducts a lottery or gambling activity;

5 (2) Receive or share in, directly or indirectly, the gross profits
6 of any gambling activity regulated by the ((commission)) office;

7 (3) Be beneficially interested in any contract for the manufacture
8 or sale of gambling devices, the conduct of ((~~it~~)) a gambling
9 activity, or the provision of independent consultant services in
10 connection with a gambling activity.

11 **Sec. 30.** RCW 9.46.090 and 1987 c 505 s 3 are each amended to read
12 as follows:

13 Subject to RCW 40.07.040, the ((commission)) office shall, from
14 time to time, make reports to the governor and the legislature covering
15 such matters in connection with this chapter as the governor and the
16 legislature may require. These reports shall be public documents and
17 contain such general information and remarks as the ((commission))
18 director deems pertinent thereto and any information requested by
19 either the governor or members of the legislature: PROVIDED, That the
20 ((~~commission appointed pursuant to RCW 9.46.040~~)) office may conduct a
21 thorough study of the types of gambling activity permitted and the
22 types of gambling activity prohibited by this chapter and may make
23 recommendations to the legislature as to: (1) Gambling activity that
24 ought to be permitted; (2) gambling activity that ought to be
25 prohibited; (3) the types of licenses and permits that ought to be
26 required; (4) the type and amount of tax that ought to be applied to
27 each type of permitted gambling activity; (5) any changes which may be
28 made to the law of this state which further the purposes and policies
29 set forth in RCW 9.46.010 as now law or hereafter amended; and (6) any
30 other matter that the ((commission)) director may deem appropriate.
31 ((~~Members of the commission and its staff may contact the legislature,~~
32 ~~or any of its members, at any time, to advise it of recommendations of~~
33 ~~the commission.~~))

34 **Sec. 31.** RCW 9.46.095 and 1989 c 175 s 41 are each amended to read
35 as follows:

36 No court of the state of Washington other than the superior court

1 of Thurston county shall have jurisdiction over any action or
2 proceeding against the (~~commission or any member thereof~~) director or
3 the office for anything done or omitted to be done in or arising out of
4 the performance of (~~his or her~~) the duties under this title:
5 PROVIDED, That an appeal (~~from an adjudicative proceeding~~) involving
6 a final decision of the (~~commission~~) director to deny, suspend, or
7 revoke a license shall be governed by chapter 34.05 RCW, the
8 Administrative Procedure Act.

9 Neither the (~~commission nor any member or members thereof~~)
10 director nor any employee of the office shall be personally liable in
11 any action at law for damages sustained by any person because of any
12 acts performed or done, or omitted to be done, by the (~~commission or~~
13 ~~any member of the commission, or any employee of the commission~~)
14 director nor any employee of the office, in the performance of his or
15 her duties and in the administration of this title.

16 **Sec. 32.** RCW 9.46.100 and 2004 c 276 s 903 are each amended to
17 read as follows:

18 There is hereby created the department of licensing gambling
19 revolving fund which shall consist of all moneys receivable for
20 licensing, penalties, forfeitures, and all other moneys, income, or
21 revenue received by the (~~commission~~) office. The state treasurer
22 shall be custodian of the fund. All moneys received by the
23 (~~commission~~) office or any employee thereof, except for change funds
24 and an amount of petty cash as fixed by rule or regulation (~~of the~~
25 ~~commission~~) adopted by the director, shall be deposited each day in a
26 depository approved by the state treasurer and transferred to the state
27 treasurer to be credited to the department of licensing gambling
28 revolving fund. Disbursements from the department of licensing
29 gambling revolving fund shall be on authorization of the (~~commission~~
30 ~~or a duly authorized representative thereof~~) director or
31 representatives of the director. In order to maintain an effective
32 expenditure and revenue control the department of licensing gambling
33 revolving fund shall be subject in all respects to chapter 43.88 RCW
34 but no appropriation shall be required to permit expenditures and
35 payment of obligations from such fund. All expenses relative to
36 (~~commission~~) office business, including but not limited to salaries

1 and expenses of the assistant director and other ((~~commission~~)) office
2 employees shall be paid from the department of licensing gambling
3 revolving fund.

4 ~~((During the 2003-2005 fiscal biennium, the legislature may
5 transfer from the gambling revolving fund to the problem gambling
6 treatment account, contingent on enactment of chapter ..., Laws of 2004
7 (Second Substitute House Bill No. 2776, problem gambling treatment).
8 Also during the 2003-2005 fiscal biennium, the legislature may transfer
9 from the gambling revolving fund to the state general fund such amounts
10 as reflect the excess nontribal fund balance of the fund. The
11 commission shall not increase fees during the 2003-2005 fiscal biennium
12 for the purpose of restoring the excess fund balance transferred under
13 this section.))~~

14 **Sec. 33.** RCW 9.46.110 and 1999 c 221 s 1 are each amended to read
15 as follows:

16 (1) The legislative authority of any county, city-county, city, or
17 town, by local law and ordinance, and in accordance with the provisions
18 of this chapter and rules adopted under this chapter, may provide for
19 the taxing of any gambling activity authorized by this chapter within
20 its jurisdiction, the tax receipts to go to the county, city-county,
21 city, or town so taxing the activity. Any such tax imposed by a county
22 alone shall not apply to any gambling activity within a city or town
23 located in the county but the tax rate established by a county, if any,
24 shall constitute the tax rate throughout the unincorporated areas of
25 such county.

26 (2) The operation of punchboards and pull-tabs are subject to the
27 following conditions:

28 (a) Chances may only be sold to adults;

29 (b) The price of a single chance may not exceed one dollar;

30 (c) No punchboard or pull-tab license may award as a prize upon a
31 winning number or symbol being drawn the opportunity of taking a chance
32 upon any other punchboard or pull-tab;

33 (d) All prizes available to be won must be described on an
34 information flare. All merchandise prizes must be on display within
35 the immediate area of the premises in which any such punchboard or
36 pull-tab is located. Upon a winning number or symbol being drawn, a
37 merchandise prize must be immediately removed from the display and

1 awarded to the winner. All references to cash or merchandise prizes,
2 with a value over twenty dollars, must be removed immediately from the
3 information flare when won, or such omission shall be deemed a fraud
4 for the purposes of this chapter; and

5 (e) When any person wins money or merchandise from any punchboard
6 or pull-tab over an amount determined by the (~~commission~~) director,
7 every licensee shall keep a public record of the award for at least
8 ninety days containing such information as the (~~commission~~) director
9 shall deem necessary.

10 (3)(a) Taxation of bingo and raffles shall never be in an amount
11 greater than five percent of the gross receipts from a bingo game or
12 raffle less the amount awarded as cash or merchandise prizes.

13 (b) Taxation of amusement games shall only be in an amount
14 sufficient to pay the actual costs of enforcement of the provisions of
15 this chapter by the county, city or town law enforcement agency and in
16 no event shall such taxation exceed two percent of the gross receipts
17 from the amusement game less the amount awarded as prizes.

18 (c) No tax shall be imposed under the authority of this chapter on
19 bingo or amusement games when such activities or any combination
20 thereof are conducted by any bona fide charitable or nonprofit
21 organization as defined in this chapter, which organization has no paid
22 operating or management personnel and has gross receipts from bingo or
23 amusement games, or a combination thereof, not exceeding five thousand
24 dollars per year, less the amount awarded as cash or merchandise
25 prizes.

26 (d) No tax shall be imposed on the first ten thousand dollars of
27 gross receipts less the amount awarded as cash or merchandise prizes
28 from raffles conducted by any bona fide charitable or nonprofit
29 organization as defined in this chapter.

30 (e) Taxation of punchboards and pull-tabs for bona fide charitable
31 or nonprofit organizations is based on gross receipts from the
32 operation of the games less the amount awarded as cash or merchandise
33 prizes, and shall not exceed a rate of ten percent. At the option of
34 the county, city-county, city, or town, the taxation of punchboards and
35 pull-tabs for commercial stimulant operators may be based on gross
36 receipts from the operation of the games, and may not exceed a rate of
37 five percent, or may be based on gross receipts from the operation of

1 the games less the amount awarded as cash or merchandise prizes, and
2 may not exceed a rate of ten percent.

3 (f) Taxation of social card games may not exceed twenty percent of
4 the gross revenue from such games.

5 (4) Taxes imposed under this chapter become a lien upon personal
6 and real property used in the gambling activity in the same manner as
7 provided for under RCW 84.60.010. The lien shall attach on the date
8 the tax becomes due and shall relate back and have priority against
9 real and personal property to the same extent as ad valorem taxes.

10 **Sec. 34.** RCW 9.46.116 and 1985 c 7 s 2 are each amended to read as
11 follows:

12 The (~~commission~~) office, as authorized by the director, shall
13 charge fees or increased fees on pull-tabs sold over-the-counter and on
14 sales from punchboards and pull-tab devices at levels necessary to
15 assure that the increased revenues are equal or greater to the amount
16 of revenue lost by removing the special tax on coin-operated gambling
17 devices by the 1984 repeal of RCW 9.46.115.

18 **Sec. 35.** RCW 9.46.120 and 1997 c 394 s 3 are each amended to read
19 as follows:

20 (1) Except in the case of an agricultural fair as authorized under
21 chapters 15.76 and 36.37 RCW, no person other than a member of a bona
22 fide charitable or nonprofit organization (and their employees) or any
23 other person, association or organization (and their employees)
24 approved by the (~~commission~~) director, shall take any part in the
25 management or operation of any gambling activity authorized under this
26 chapter unless approved by the (~~commission~~) director. No person who
27 takes any part in the management or operation of any such gambling
28 activity shall take any part in the management or operation of any
29 gambling activity conducted by any other organization or any other
30 branch of the same organization unless approved by the (~~commission~~)
31 director. No part of the proceeds of the activity shall inure to the
32 benefit of any person other than the organization conducting such
33 gambling activities or if such gambling activities be for the
34 charitable benefit of any specific persons designated in the
35 application for a license, then only for such specific persons as so
36 designated.

1 (2) No bona fide charitable or nonprofit organization or any other
2 person, association or organization shall conduct any gambling activity
3 authorized under this chapter in any leased premises if rental for such
4 premises is unreasonable or to be paid, wholly or partly, on the basis
5 of a percentage of the receipts or profits derived from such gambling
6 activity.

7 **Sec. 36.** RCW 9.46.130 and 1981 c 139 s 10 are each amended to read
8 as follows:

9 The premises and paraphernalia, and all the books and records of
10 any person, association or organization conducting gambling activities
11 authorized under this chapter and any person, association or
12 organization receiving profits therefrom or having any interest therein
13 shall be subject to inspection and audit at any reasonable time, with
14 or without notice, upon demand, by the (~~commission~~) director or (~~its~~
15 ~~designee~~) representatives of the director, the attorney general or his
16 designee, the chief of the Washington state patrol or his designee or
17 the prosecuting attorney, sheriff or director of public safety or their
18 designees of the county wherein located, or the chief of police or his
19 designee of any city or town in which said organization is located, for
20 the purpose of determining compliance or noncompliance with the
21 provisions of this chapter and any rules or regulations or local
22 ordinances adopted pursuant thereto. A reasonable time for the purpose
23 of this section shall be: (1) If the items or records to be inspected
24 or audited are located anywhere upon a premises any portion of which is
25 regularly open to the public or members and guests, then at any time
26 when the premises are so open, or at which they are usually open; or
27 (2) if the items or records to be inspected or audited are not located
28 upon a premises set out in subsection (1) above, then any time between
29 the hours of 8:00 a.m. and 9:00 p.m., Monday through Friday.

30 The (~~commission~~) office shall be provided at such reasonable
31 intervals as the (~~commission~~) director shall determine with a report,
32 under oath, detailing all receipts and disbursements in connection with
33 such gambling activities together with such other reasonable
34 information as required in order to determine whether such activities
35 comply with the purposes of this chapter or any local ordinances
36 relating thereto.

1 **Sec. 37.** RCW 9.46.140 and 1989 c 175 s 42 are each amended to read
2 as follows:

3 (1) The ~~((commission))~~ director or ~~((its—authorized))~~
4 representatives of the director may:

5 (a) Make necessary public or private investigations within or
6 outside of this state to determine whether any person has violated or
7 is about to violate this chapter or any rule or order hereunder, or to
8 aid in the enforcement of this chapter or in the prescribing of rules
9 and forms hereunder; and

10 (b) Inspect the books, documents, and records of any person lending
11 money to or in any manner financing any license holder or applicant for
12 a license or receiving any income or profits from the use of such
13 license for the purpose of determining compliance or noncompliance with
14 the provisions of this chapter or the rules and regulations adopted
15 pursuant thereto.

16 (2) For the purpose of any investigation or proceeding under this
17 chapter, ~~((the commission or))~~ an administrative law judge appointed
18 under chapter 34.12 RCW may conduct hearings, administer oaths or
19 affirmations, or upon the ~~((commission's or))~~ administrative law
20 judge's motion or upon request of any party may subpoena witnesses,
21 compel attendance, take depositions, take evidence, or require the
22 production of any matter which is relevant to the investigation or
23 proceeding, including but not limited to the existence, description,
24 nature, custody, condition, or location of any books, documents, or
25 other tangible things, or the identity or location of persons having
26 knowledge or relevant facts, or any other matter reasonably calculated
27 to lead to the discovery of material evidence.

28 (3) Upon failure to obey a subpoena or to answer questions
29 propounded by the administrative law judge and upon reasonable notice
30 to all persons affected thereby, the director may apply to the superior
31 court for an order compelling compliance.

32 (4) The administrative law judges appointed under chapter 34.12 RCW
33 may conduct hearings respecting the suspension, revocation, or denial
34 of licenses, who may administer oaths, admit or deny admission of
35 evidence, compel the attendance of witnesses, issue subpoenas, issue
36 orders, and exercise all other powers and perform all other functions
37 set out in RCW 34.05.446, 34.05.449, and 34.05.452.

1 (5) Except as otherwise provided in this chapter, all proceedings
2 under this chapter shall be in accordance with the Administrative
3 Procedure Act, chapter 34.05 RCW.

4 **Sec. 38.** RCW 9.46.150 and 1973 1st ex.s. c 218 s 15 are each
5 amended to read as follows:

6 (1) Any activity conducted in violation of any provision of this
7 chapter may be enjoined in an action commenced by the (~~commission~~)
8 director through the attorney general or by the prosecuting attorney or
9 legal counsel of any city or town in which the prohibited activity may
10 occur.

11 (2) When a violation of any provision of this chapter or any rule
12 or regulation adopted pursuant hereto has occurred on any property or
13 premises for which one or more licenses, permits, or certificates
14 issued by this state, or any political subdivision or public agency
15 thereof are in effect, all such licenses, permits and certificates may
16 be voided and no license, permit, or certificate so voided shall be
17 issued or reissued for such property or premises for a period of up to
18 sixty days thereafter.

19 **Sec. 39.** RCW 9.46.153 and 1981 c 139 s 14 are each amended to read
20 as follows:

21 (1) It shall be the affirmative responsibility of each applicant
22 and licensee to establish by clear and convincing evidence the
23 necessary qualifications for licensure of each person required to be
24 qualified under this chapter, as well as the qualifications of the
25 facility in which the licensed activity will be conducted;

26 (2) All applicants and licensees shall consent to inspections,
27 searches and seizures and the supplying of handwriting examples as
28 authorized by this chapter and rules adopted hereunder;

29 (3) All licensees, and persons having any interest in licensees,
30 including but not limited to employees and agents of licensees, and
31 other persons required to be qualified under this chapter or rules (~~of~~
32 ~~the commission~~) adopted by the director shall have a duty to inform
33 (~~the commission or its staff of~~) any action or omission which they
34 believe would constitute a violation of this chapter or rules adopted
35 pursuant thereto. No person who so informs the (~~commission~~) director

1 or the (~~staff~~) office shall be discriminated against by an applicant
2 or licensee because of the supplying of such information;

3 (4) All applicants, licensees, persons who are operators or
4 directors thereof and persons who otherwise have a substantial interest
5 therein shall have the continuing duty to provide any assistance or
6 information required by the (~~commission~~) director or the office and
7 to investigations conducted by the (~~commission~~) director or the
8 office. If, upon issuance of a formal request to answer or produce
9 information, evidence or testimony, any applicant, licensee or officer
10 or director thereof or person with a substantial interest therein,
11 refuses to comply, the applicant or licensee may be denied or revoked
12 by the (~~commission~~) director;

13 (5) All applicants and licensees shall waive any and all liability
14 as to the state of Washington, its agencies, employees and agents for
15 any damages resulting from any disclosure or publication in any manner,
16 other than a wilfully unlawful disclosure or publication, of any
17 information acquired by the (~~commission~~) director or the office
18 during its licensing or other investigations or inquiries or hearings;

19 (6) Each applicant or licensee may be photographed for
20 investigative and identification purposes in accordance with rules (~~of~~
21 ~~the commission~~) adopted by the director;

22 (7) An application to receive a license under this chapter or rules
23 adopted pursuant thereto constitutes a request for determination of the
24 applicant's and those person's with an interest in the applicant,
25 general character, integrity and ability to engage or participate in,
26 or be associated with, gambling or related activities impacting this
27 state. Any written or oral statement made in the course of an official
28 investigation, proceeding or process (~~of the commission~~) by (~~any~~
29 ~~member,~~) the director or any employee (~~or agent thereof~~) of the
30 office, or by any witness, testifying under oath, which is relevant to
31 the investigation, proceeding or process, is absolutely privileged and
32 shall not impose any liability for slander, libel or defamation, or
33 constitute any grounds for recovery in any civil action.

34 **Sec. 40.** RCW 9.46.158 and 1981 c 139 s 18 are each amended to read
35 as follows:

36 No applicant for a license from, nor licensee of, the
37 (~~commission~~) director, nor any operator of any gambling activity,

1 shall, without advance approval of the (~~commission~~) director,
2 knowingly permit any person to participate in the management or
3 operation of any activity for which a license from the (~~commission~~)
4 director is required or which is otherwise authorized by this chapter
5 if that person:

6 (1) Has been convicted of, or forfeited bond upon a charge of, or
7 pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud,
8 wilful failure to make required payments or reports to a governmental
9 agency at any level, or filing false reports therewith, or of any
10 similar offense or offenses, or of any crime, whether a felony or
11 misdemeanor involving any gambling activity or physical harm to
12 individuals or involving moral turpitude; or

13 (2) Has violated, failed, or refused to comply with provisions,
14 requirements, conditions, limitations or duties imposed by this
15 chapter, and any amendments thereto, or any rules adopted by the
16 (~~commission~~) director pursuant thereto, or has permitted, aided,
17 abetted, caused, or conspired with another to cause, any person to
18 violate any of the provisions of this chapter or rules (~~of the~~
19 ~~commission~~) adopted by the director.

20 **Sec. 41.** RCW 9.46.160 and 1991 c 261 s 3 are each amended to read
21 as follows:

22 Any person who conducts any activity for which a license is
23 required by this chapter, or by rule (~~of the commission~~) adopted by
24 the director, without the required license issued by the (~~commission~~)
25 director shall be guilty of a class B felony. If any corporation
26 conducts any activity for which a license is required by this chapter,
27 or by rule (~~of the commission~~) adopted by the director, without the
28 required license issued by the (~~commission~~) director, it may be
29 punished by forfeiture of its corporate charter, in addition to the
30 other penalties set forth in this section.

31 **Sec. 42.** RCW 9.46.170 and 1991 c 261 s 4 are each amended to read
32 as follows:

33 Whoever, in any application for a license or in any book or record
34 required to be maintained by the (~~commission~~) director or the office
35 or in any report required to be submitted to the (~~commission~~)
36 director or the office, shall make any false or misleading statement,

1 or make any false or misleading entry or wilfully fail to maintain or
2 make any entry required to be maintained or made, or who wilfully
3 refuses to produce for inspection by the ~~((commission, or its
4 designee))~~ director or representatives of the director, any book,
5 record, or document required to be maintained or made by federal or
6 state law, shall be guilty of a gross misdemeanor subject to the
7 penalty set forth in RCW 9A.20.021.

8 **Sec. 43.** RCW 9.46.198 and 1999 c 143 s 7 are each amended to read
9 as follows:

10 Any person who works as an employee or agent or in a similar
11 capacity for another person in connection with the operation of an
12 activity for which a license is required under this chapter or by
13 ~~((commission))~~ rule adopted by the director without having obtained the
14 applicable license required by the ~~((commission))~~ director under RCW
15 9.46.070(17) shall be guilty of a gross misdemeanor and shall, upon
16 conviction, be punished by not more than one year in the county jail or
17 a fine of not more than five thousand dollars, or both.

18 **Sec. 44.** RCW 9.46.210 and 2000 c 46 s 1 are each amended to read
19 as follows:

20 (1) It shall be the duty of all peace officers, law enforcement
21 officers, and law enforcement agencies within this state to
22 investigate, enforce, and prosecute all violations of this chapter.

23 (2) In addition to the authority granted by subsection (1) of this
24 section law enforcement agencies of cities and counties shall
25 investigate and report to the ~~((commission))~~ director all violations of
26 the provisions of this chapter and of the rules ~~((of the commission))~~
27 adopted by the director found by them and shall assist the
28 ~~((commission))~~ director or the office in any ~~((of its))~~ investigations
29 and proceedings respecting any such violations. Such law enforcement
30 agencies shall not be deemed agents of the ~~((commission))~~ office or of
31 the department of licensing.

32 (3) ~~((In addition to its other powers and duties, the commission
33 shall have the power to enforce the penal provisions of chapter 218,
34 Laws of 1973 1st ex. sess. and as it may be amended, and the penal laws
35 of this state relating to the conduct of or participation in gambling
36 activities and the manufacturing, importation, transportation,~~

1 ~~distribution, possession, and sale of equipment or paraphernalia used~~
2 ~~or for use in connection therewith. The director, the deputy director,~~
3 ~~both assistant directors, and each of the commission's investigators,~~
4 ~~enforcement officers, and inspectors shall have the power, under the~~
5 ~~supervision of the commission, to enforce the penal provisions of~~
6 ~~chapter 218, Laws of 1973 1st ex. sess. and as it may be amended, and~~
7 ~~the penal laws of this state relating to the conduct of or~~
8 ~~participation in gambling activities and the manufacturing,~~
9 ~~importation, transportation, distribution, possession, and sale of~~
10 ~~equipment or paraphernalia used or for use in connection therewith.~~
11 ~~They shall have the power and authority to apply for and execute all~~
12 ~~warrants and serve process of law issued by the courts in enforcing the~~
13 ~~penal provisions of chapter 218, Laws of 1973 1st ex. sess. and as it~~
14 ~~may be amended, and the penal laws of this state relating to the~~
15 ~~conduct of or participation in gambling activities and the~~
16 ~~manufacturing, importation, transportation, distribution, possession,~~
17 ~~and sale of equipment or paraphernalia used or for use in connection~~
18 ~~therewith. They shall have the power to arrest without a warrant, any~~
19 ~~person or persons found in the act of violating any of the penal~~
20 ~~provisions of chapter 218, Laws of 1973 1st ex. sess. and as it may be~~
21 ~~amended, and the penal laws of this state relating to the conduct of or~~
22 ~~participation in gambling activities and the manufacturing,~~
23 ~~importation, transportation, distribution, possession, and sale of~~
24 ~~equipment or paraphernalia used or for use in connection therewith. To~~
25 ~~the extent set forth above, the commission shall be a law enforcement~~
26 ~~agency of this state with the power to investigate for violations of~~
27 ~~and to enforce the provisions of this chapter, as now law or hereafter~~
28 ~~amended, and to obtain information from and provide information to all~~
29 ~~other law enforcement agencies.~~

30 (4)) Criminal history record information that includes
31 nonconviction data, as defined in RCW 10.97.030, may be disseminated by
32 a criminal justice agency to the ((Washington state gambling
33 commission)) office for any purpose associated with the investigation
34 for suitability for involvement in gambling activities authorized under
35 this chapter. The ((Washington state gambling commission)) office
36 shall only disseminate nonconviction data obtained under this section
37 to criminal justice agencies.

1 **Sec. 45.** RCW 9.46.215 and 2003 c 53 s 35 are each amended to read
2 as follows:

3 (1) Whoever knowingly owns, manufactures, possesses, buys, sells,
4 rents, leases, finances, holds a security interest in, stores, repairs,
5 or transports any gambling device or offers or solicits any interest
6 therein, whether through an agent or employee or otherwise, is guilty
7 of a class C felony and shall be fined not more than one hundred
8 thousand dollars or imprisoned not more than five years or both.

9 (2) This section does not apply to persons licensed by the
10 (~~commission~~) director, or who are otherwise authorized by this
11 chapter, or by (~~commission~~) rule adopted by the director, to conduct
12 gambling activities without a license, respecting devices that are to
13 be used, or are being used, solely in that activity for which the
14 license was issued, or for which the person has been otherwise
15 authorized if:

16 (a) The person is acting in conformance with this chapter and the
17 rules adopted under this chapter; and

18 (b) The devices are a type and kind traditionally and usually
19 employed in connection with the particular activity.

20 (3) This section also does not apply to any act or acts by the
21 persons in furtherance of the activity for which the license was
22 issued, or for which the person is authorized, when the activity is
23 conducted in compliance with this chapter and in accordance with the
24 rules adopted under this chapter.

25 (4) In the enforcement of this section direct possession of any
26 such a gambling device is presumed to be knowing possession thereof.

27 **Sec. 46.** RCW 9.46.220 and 1997 c 78 s 2 are each amended to read
28 as follows:

29 (1) A person is guilty of professional gambling in the first degree
30 if he or she engages in, or knowingly causes, aids, abets, or conspires
31 with another to engage in professional gambling as defined in this
32 chapter, and:

33 (a) Acts in concert with or conspires with five or more people; or

34 (b) Personally accepts wagers exceeding five thousand dollars
35 during any thirty-day period on future contingent events; or

36 (c) The operation for whom the person works, or with which the

1 person is involved, accepts wagers exceeding five thousand dollars
2 during any thirty-day period on future contingent events; or

3 (d) Operates, manages, or profits from the operation of a premises
4 or location where persons are charged a fee to participate in card
5 games, lotteries, or other gambling activities that are not authorized
6 by this chapter or licensed by the (~~commission~~) director.

7 (2) However, this section shall not apply to those activities
8 enumerated in RCW 9.46.0305 through 9.46.0361 or to any act or acts in
9 furtherance of such activities when conducted in compliance with the
10 provisions of this chapter and in accordance with the rules adopted
11 pursuant to this chapter.

12 (3) Professional gambling in the first degree is a class B felony
13 subject to the penalty set forth in RCW 9A.20.021.

14 **Sec. 47.** RCW 9.46.225 and 1987 c 4 s 37 are each amended to read
15 as follows:

16 The penalties provided for professional gambling in this chapter
17 shall not apply to the activities authorized by this chapter when
18 conducted in compliance with the provisions of this chapter and in
19 accordance with the rules and regulations (~~of the commission~~) adopted
20 by the director.

21 **Sec. 48.** RCW 9.46.231 and 2008 c 6 s 629 are each amended to read
22 as follows:

23 (1) The following are subject to seizure and forfeiture and no
24 property right exists in them:

- 25 (a) All gambling devices as defined in this chapter;
- 26 (b) All furnishings, fixtures, equipment, and stock, including
27 without limitation furnishings and fixtures adaptable to nongambling
28 uses and equipment and stock for printing, recording, computing,
29 transporting, or safekeeping, used in connection with professional
30 gambling or maintaining a gambling premises;

31 (c) All conveyances, including aircraft, vehicles, or vessels, that
32 are used, or intended for use, in any manner to facilitate the sale,
33 delivery, receipt, or operation of any gambling device, or the
34 promotion or operation of a professional gambling activity, except
35 that:

1 (i) A conveyance used by any person as a common carrier in the
2 transaction of business as a common carrier is not subject to
3 forfeiture under this section unless it appears that the owner or other
4 person in charge of the conveyance is a consenting party or privy to a
5 violation of this chapter;

6 (ii) A conveyance is not subject to forfeiture under this section
7 by reason of any act or omission established by the owner thereof to
8 have been committed or omitted without the owner's knowledge or
9 consent;

10 (iii) A forfeiture of a conveyance encumbered by a bona fide
11 security interest is subject to the interest of the secured party if
12 the secured party neither had knowledge of nor consented to the act or
13 omission; and

14 (iv) If the owner of a conveyance has been arrested under this
15 chapter the conveyance in which the person is arrested may not be
16 subject to forfeiture unless it is seized or process is issued for its
17 seizure within ten days of the owner's arrest;

18 (d) All books, records, and research products and materials,
19 including formulas, microfilm, tapes, and electronic data that are
20 used, or intended for use, in violation of this chapter;

21 (e) All moneys, negotiable instruments, securities, or other
22 tangible or intangible property of value at stake or displayed in or in
23 connection with professional gambling activity or furnished or intended
24 to be furnished by any person to facilitate the promotion or operation
25 of a professional gambling activity;

26 (f) All tangible or intangible personal property, proceeds, or
27 assets acquired in whole or in part with proceeds traceable to
28 professional gambling activity and all moneys, negotiable instruments,
29 and securities used or intended to be used to facilitate any violation
30 of this chapter. A forfeiture of money, negotiable instruments,
31 securities, or other tangible or intangible property encumbered by a
32 bona fide security interest is subject to the interest of the secured
33 party if, at the time the security interest was created, the secured
34 party neither had knowledge of nor consented to the act or omission.
35 Personal property may not be forfeited under this subsection (1)(f), to
36 the extent of the interest of an owner, by reason of any act or
37 omission that that owner establishes was committed or omitted without
38 the owner's knowledge or consent; and

1 (g) All real property, including any right, title, and interest in
2 the whole of any lot or tract of land, and any appurtenances or
3 improvements that:

4 (i) Have been used with the knowledge of the owner for the
5 manufacturing, processing, delivery, importing, or exporting of any
6 illegal gambling equipment, or operation of a professional gambling
7 activity that would constitute a felony violation of this chapter; or

8 (ii) Have been acquired in whole or in part with proceeds traceable
9 to a professional gambling activity, if the activity is not less than
10 a class C felony.

11 Real property forfeited under this chapter that is encumbered by a
12 bona fide security interest remains subject to the interest of the
13 secured party if the secured party, at the time the security interest
14 was created, neither had knowledge of nor consented to the act or
15 omission. Property may not be forfeited under this subsection, to the
16 extent of the interest of an owner, by reason of any act or omission
17 committed or omitted without the owner's knowledge or consent.

18 (2)(a) A law enforcement officer of this state may seize real or
19 personal property subject to forfeiture under this chapter upon process
20 issued by any superior court having jurisdiction over the property.
21 Seizure of real property includes the filing of a lis pendens by the
22 seizing agency. Real property seized under this section may not be
23 transferred or otherwise conveyed until ninety days after seizure or
24 until a judgment of forfeiture is entered, whichever is later, but real
25 property seized under this section may be transferred or conveyed to
26 any person or entity who acquires title by foreclosure or deed in lieu
27 of foreclosure of a bona fide security interest.

28 (b) Seizure of personal property without process may be made if:

29 (i) The seizure is incident to an arrest or a search under a search
30 warrant or an inspection under an administrative inspection warrant;

31 (ii) The property subject to seizure has been the subject of a
32 prior judgment in favor of the state in a criminal injunction or
33 forfeiture proceeding based upon this chapter;

34 (iii) A law enforcement officer has probable cause to believe that
35 the property is directly or indirectly dangerous to health or safety;
36 or

37 (iv) The law enforcement officer has probable cause to believe that

1 the property was used or is intended to be used in violation of this
2 chapter.

3 (3) In the event of seizure under subsection (2) of this section,
4 proceedings for forfeiture are deemed commenced by the seizure. The
5 law enforcement agency under whose authority the seizure was made shall
6 cause notice to be served within fifteen days following the seizure on
7 the owner of the property seized and the person in charge thereof and
8 any person having any known right or interest therein, including any
9 community property interest, of the seizure and intended forfeiture of
10 the seized property. Service of notice of seizure of real property
11 must be made according to the rules of civil procedure. However, the
12 state may not obtain a default judgment with respect to real property
13 against a party who is served by substituted service absent an
14 affidavit stating that a good faith effort has been made to ascertain
15 if the defaulted party is incarcerated within the state, and that there
16 is no present basis to believe that the party is incarcerated within
17 the state. Notice of seizure in the case of property subject to a
18 security interest that has been perfected by filing a financing
19 statement in accordance with chapter 62A.9A RCW, or a certificate of
20 title, must be made by service upon the secured party or the secured
21 party's assignee at the address shown on the financing statement or the
22 certificate of title. The notice of seizure in other cases may be
23 served by any method authorized by law or court rule including but not
24 limited to service by certified mail with return receipt requested.
25 Service by mail is deemed complete upon mailing within the fifteen-day
26 period following the seizure.

27 (4) If no person notifies the seizing law enforcement agency in
28 writing of the person's claim of ownership or right to possession of
29 items specified in subsection (1) of this section within forty-five
30 days of the seizure in the case of personal property and ninety days in
31 the case of real property, the item seized is deemed forfeited. The
32 community property interest in real property of a person whose spouse
33 or domestic partner committed a violation giving rise to seizure of the
34 real property may not be forfeited if the person did not participate in
35 the violation.

36 (5) If any person notifies the seizing law enforcement agency in
37 writing of the person's claim of ownership or right to possession of
38 items specified in subsection (1) of this section within forty-five

1 days of the seizure in the case of personal property and ninety days in
2 the case of real property, the person or persons must be afforded a
3 reasonable opportunity to be heard as to the claim or right. The
4 hearing must be before the chief law enforcement officer of the seizing
5 agency or the chief law enforcement officer's designee, except if the
6 seizing agency is a state agency as defined in RCW 34.12.020(4), the
7 hearing must be before the chief law enforcement officer of the seizing
8 agency or an administrative law judge appointed under chapter 34.12
9 RCW, except that any person asserting a claim or right may remove the
10 matter to a court of competent jurisdiction. Removal of any matter
11 involving personal property may only be accomplished according to the
12 rules of civil procedure. The person seeking removal of the matter
13 must serve process against the state, county, political subdivision, or
14 municipality that operates the seizing agency, and any other party of
15 interest, in accordance with RCW 4.28.080 or 4.92.020, within forty-
16 five days after the person seeking removal has notified the seizing law
17 enforcement agency of the person's claim of ownership or right to
18 possession. The court to which the matter is to be removed must be the
19 district court if the aggregate value of personal property is within
20 the jurisdictional limit set forth in RCW 3.66.020. A hearing before
21 the seizing agency and any appeal therefrom must be under Title 34 RCW.
22 In a court hearing between two or more claimants to the article or
23 articles involved, the prevailing party is entitled to a judgment for
24 costs and reasonable attorneys' fees. In cases involving personal
25 property, the burden of producing evidence is upon the person claiming
26 to be the lawful owner or the person claiming to have the lawful right
27 to possession of the property. In cases involving property seized
28 under subsection (1)(a) of this section, the only issues to be
29 determined by the tribunal are whether the item seized is a gambling
30 device, and whether the device is an antique device as defined by RCW
31 9.46.235. In cases involving real property, the burden of producing
32 evidence is upon the law enforcement agency. The burden of proof that
33 the seized real property is subject to forfeiture is upon the law
34 enforcement agency. The seizing law enforcement agency shall promptly
35 return the article or articles to the claimant upon a final
36 determination by the administrative law judge or court that the
37 claimant is the present lawful owner or is lawfully entitled to

1 possession thereof of items specified in subsection (1) of this
2 section.

3 (6) If property is forfeited under this chapter the seizing law
4 enforcement agency may:

5 (a) Retain it for official use or upon application by any law
6 enforcement agency of this state release the property to the agency for
7 training or use in enforcing this chapter;

8 (b) Sell that which is not required to be destroyed by law and
9 which is not harmful to the public; or

10 (c) Destroy any articles that may not be lawfully possessed within
11 the state of Washington, or that have a fair market value of less than
12 one hundred dollars.

13 (7)(a) If property is forfeited, the seizing agency shall keep a
14 record indicating the identity of the prior owner, if known, a
15 description of the property, the disposition of the property, the value
16 of the property at the time of seizure, and the amount of proceeds
17 realized from disposition of the property. The net proceeds of
18 forfeited property is the value of the forfeitable interest in the
19 property after deducting the cost of satisfying any bona fide security
20 interest to which the property is subject at the time of seizure, and
21 in the case of sold property, after deducting the cost of sale,
22 including reasonable fees or commissions paid to independent selling
23 agents.

24 (b) Each seizing agency shall retain records of forfeited property
25 for at least seven years.

26 (8) The seizing law enforcement agency shall retain forfeited
27 property and net proceeds exclusively for the expansion and improvement
28 of gambling-related law enforcement activity. Money retained under
29 this section may not be used to supplant preexisting funding sources.

30 (9) Gambling devices that are possessed, transferred, sold, or
31 offered for sale in violation of this chapter are contraband and must
32 be seized and summarily forfeited to the state. Gambling equipment
33 that is seized or comes into the possession of a law enforcement
34 agency, the owners of which are unknown, are contraband and must be
35 summarily forfeited to the state.

36 (10) Upon the entry of an order of forfeiture of real property, the
37 court shall forward a copy of the order to the assessor of the county
38 in which the property is located. The superior court shall enter

1 orders for the forfeiture of real property, subject to court rules.
2 The seizing agency shall file such an order in the county auditor's
3 records in the county in which the real property is located.

4 (11)(a) A landlord may assert a claim against proceeds from the
5 sale of assets seized and forfeited under subsection (6)(b) of this
6 section, only if:

7 (i) A law enforcement officer, while acting in his or her official
8 capacity, directly caused damage to the complaining landlord's property
9 while executing a search of a tenant's residence; and

10 (ii) The landlord has applied any funds remaining in the tenant's
11 deposit, to which the landlord has a right under chapter 59.18 RCW, to
12 cover the damage directly caused by a law enforcement officer before
13 asserting a claim under this section.

14 (A) Only if the funds applied under (a)(ii) of this subsection are
15 insufficient to satisfy the damage directly caused by a law enforcement
16 officer, may the landlord seek compensation for the damage by filing a
17 claim against the governmental entity under whose authority the law
18 enforcement agency operates within thirty days after the search; and

19 (B) Only if the governmental entity denies or fails to respond to
20 the landlord's claim within sixty days of the date of filing, may the
21 landlord collect damages under this subsection by filing within thirty
22 days of denial or the expiration of the sixty-day period, whichever
23 occurs first, a claim with the seizing law enforcement agency. The
24 seizing law enforcement agency shall notify the landlord of the status
25 of the claim by the end of the thirty-day period. This section does
26 not require the claim to be paid by the end of the sixty-day or thirty-
27 day period.

28 (b) For any claim filed under (a)(ii) of this subsection, the law
29 enforcement agency shall pay the claim unless the agency provides
30 substantial proof that the landlord either:

31 (i) Knew or consented to actions of the tenant in violation of this
32 chapter; or

33 (ii) Failed to respond to a notification of the illegal activity,
34 provided by a law enforcement agency within seven days of receipt of
35 notification of the illegal activity.

36 (12) The landlord's claim for damages under subsection (11) of this
37 section may not include a claim for loss of business and is limited to:

38 (a) Damage to tangible property and clean-up costs;

1 (b) The lesser of the cost of repair or fair market value of the
2 damage directly caused by a law enforcement officer;

3 (c) The proceeds from the sale of the specific tenant's property
4 seized and forfeited under subsection (6)(b) of this section; and

5 (d) The proceeds available after the seizing law enforcement agency
6 satisfies any bona fide security interest in the tenant's property and
7 costs related to sale of the tenant's property as provided by
8 subsection (7)(a) of this section.

9 (13) Subsections (11) and (12) of this section do not limit any
10 other rights a landlord may have against a tenant to collect for
11 damages. However, if a law enforcement agency satisfies a landlord's
12 claim under subsection (11) of this section, the rights the landlord
13 has against the tenant for damages directly caused by a law enforcement
14 officer under the terms of the landlord and tenant's contract are
15 subrogated to the law enforcement agency.

16 (14) Liability is not imposed by this section upon any authorized
17 state, county, or municipal officer, including (~~a commission special~~
18 ~~agent~~) employees of the office, in the lawful performance of his or
19 her duties.

20 **Sec. 49.** RCW 9.46.250 and 1987 c 4 s 45 are each amended to read
21 as follows:

22 (1) All gambling premises are common nuisances and shall be subject
23 to abatement by injunction or as otherwise provided by law. The
24 plaintiff in any action brought under this subsection against any
25 gambling premises, need not show special injury and may, in the
26 discretion of the court, be relieved of all requirements as to giving
27 security.

28 (2) When any property or premise held under a mortgage, contract or
29 leasehold is determined by a court having jurisdiction to be a gambling
30 premises, all rights and interests of the holder therein shall
31 terminate and the owner shall be entitled to immediate possession at
32 his election: PROVIDED, HOWEVER, That this subsection shall not apply
33 to those premises in which activities authorized by this chapter or any
34 act or acts in furtherance thereof are carried on when conducted in
35 compliance with the provisions of this chapter and in accordance with
36 the rules and regulations adopted pursuant thereto.

1 (3) When any property or premises for which one or more licenses
2 issued by the (~~commission~~) director are in effect, is determined by
3 a court having jurisdiction to be a gambling premise, all such licenses
4 may be voided and no longer in effect, and no license so voided shall
5 be issued or reissued for such property or premises for a period of up
6 to sixty days thereafter. Enforcement of this subsection shall be the
7 duty of all peace officers and all taxing and licensing officials of
8 this state and its political subdivisions and other public agencies.
9 This subsection shall not apply to property or premises in which
10 activities authorized by this chapter, or any act or acts in
11 furtherance thereof, are carried on when conducted in compliance with
12 the provisions of this chapter and in accordance with the rules and
13 regulations adopted pursuant thereto.

14 **Sec. 50.** RCW 9.46.285 and 1973 2nd ex.s. c 41 s 8 are each amended
15 to read as follows:

16 This chapter and chapter 43.24 RCW constitute(~~s~~) the exclusive
17 legislative authority for the licensing and regulation of any gambling
18 activity and the state preempts such licensing and regulatory
19 functions, except as to the powers and duties of any city, town, city-
20 county, or county which are specifically set forth in this chapter.
21 Any ordinance, resolution, or other legislative act by any city, town,
22 city-county, or county relating to gambling in existence on September
23 27, 1973 shall be as of that date null and void and of no effect. Any
24 such city, town, city-county, or county may thereafter enact only such
25 local law as is consistent with the powers and duties expressly granted
26 to and imposed upon it by this chapter (~~(9.46-RCW)~~) and which is not in
27 conflict with (~~that~~) this chapter or with the rules (~~(of the~~
28 ~~commission)~~) adopted by the director.

29 **Sec. 51.** RCW 9.46.293 and 1989 c 8 s 1 are each amended to read as
30 follows:

31 Any fishing derby, defined under RCW 9.46.0229, shall not be
32 subject to any other provisions of this chapter or to any rules or
33 regulations (~~(of the commission)~~) adopted by the director.

34 **Sec. 52.** RCW 9.46.300 and 1977 ex.s. c 326 s 17 are each amended
35 to read as follows:

1 All applications for licenses made to the ((~~commission~~)) director,
2 with the exception of any portions of the applications describing the
3 arrest or conviction record of any person, and all reports required by
4 the ((~~commission~~)) director or representatives of the director to be
5 filed by its licensees on a periodic basis concerning the operation of
6 the licensed activity or concerning any organization, association, or
7 business in connection with which a licensed activity is operated, in
8 the ((~~commission~~)) office files, shall be open to public inspection at
9 the ((~~commission's offices~~)) office upon a prior written request of the
10 ((~~commission~~)) director. The staff of the ((~~commission~~)) office may
11 decline to allow an inspection until such time as the inspection will
12 not unduly interfere with the other duties of the staff. The
13 ((~~commission~~)) director or representatives of the director may charge
14 the person making a request for an inspection an amount necessary to
15 offset the costs to the ((~~commission~~)) office of providing the
16 inspection and copies of any requested documents.

17 **Sec. 53.** RCW 9.46.310 and 1981 c 139 s 13 are each amended to read
18 as follows:

19 No person shall manufacture, and no person shall sell, distribute,
20 furnish or supply to any other person, any gambling device, including
21 but not limited to punchboards and pull-tabs, in this state, or for use
22 within this state, without first obtaining a license to do so from the
23 ((~~commission~~)) director under the provisions of this chapter.

24 Such licenses shall not be issued by the ((~~commission~~)) director
25 except respecting devices which are designed and permitted for use in
26 connection with activities authorized under this chapter(~~(+—PROVIDED,~~
27 ~~That)).~~ However, this requirement for licensure shall apply only
28 insofar as the ((~~commission~~)) director has adopted, or may adopt, rules
29 implementing it as to particular categories of gambling devices and
30 related equipment.

31 **Sec. 54.** RCW 9.46.350 and 1981 c 139 s 16 are each amended to read
32 as follows:

33 At any time within five years after any amount of fees, interest,
34 penalties, or tax which is imposed pursuant to this chapter, or rules
35 adopted pursuant thereto, shall become due and payable, the attorney
36 general, on behalf of the ((~~commission~~)) director, may bring a civil

1 action in the courts of this state, or any other state, or of the
2 United States, to collect the amount delinquent, together with
3 penalties and interest(~~(+PROVIDED, That)~~). However, where the tax is
4 one imposed by a county, city or town under RCW 9.46.110, any such
5 action shall be brought by that county, city or town on its own behalf.
6 An action may be brought whether or not the person owing the amount is
7 at such time a licensee pursuant to the provisions of this chapter.

8 If such an action is brought in the courts of this state, a writ of
9 attachment may be issued and no bond or affidavit prior to the issuance
10 thereof shall be required. In all actions in this state, the records
11 of the (~~commission~~) director, or the appropriate county, city or
12 town, shall be prima facie evidence of the determination of the tax due
13 or the amount of the delinquency.

14 **Sec. 55.** RCW 9.46.360 and 1992 c 172 s 2 are each amended to read
15 as follows:

16 (1) The negotiation process for compacts with federally recognized
17 Indian tribes for conducting class III gaming, as defined in the Indian
18 Gaming Regulatory Act, 25 U.S.C. Sec. 2701 et seq., on federal Indian
19 lands is governed by this section.

20 (2) In addition to the powers and duties granted under RCW
21 43.24.016, the (~~gambling commission through the~~) director or the
22 director's designee shall negotiate compacts for class III gaming on
23 behalf of the state with federally recognized Indian tribes in the
24 state of Washington.

25 (3) When a tentative agreement with an Indian tribe on a proposed
26 compact is reached, the director shall immediately transmit a copy of
27 the proposed compact (~~to all voting and ex officio members of the~~
28 ~~gambling commission and to the standing committees designated pursuant~~
29 ~~to subsection (5) of this section.~~

30 (~~4) Notwithstanding RCW 9.46.040, the four ex officio members of~~
31 ~~the gambling commission shall be deemed voting members of the gambling~~
32 ~~commission for the sole purpose of voting on proposed compacts~~
33 ~~submitted under this section)) to the legislature.~~

34 (~~(+5))~~ (4) Within thirty days after receiving a proposed compact
35 from the director, one standing committee from each house of the
36 legislature shall hold a public hearing on the proposed compact and
37 forward its respective comments to the (~~gambling commission~~) director

1 and assistant director. The president of the senate shall designate
2 the senate standing committee that is to carry out the duties of this
3 section, and the speaker of the house of representatives shall
4 designate the house standing committee that is to carry out the duties
5 of this section. The designated committees shall continue to perform
6 under this section until the president of the senate or the speaker of
7 the house of representatives, as the case may be, designates a
8 different standing committee.

9 ~~((6) The gambling commission may hold public hearings on the
10 proposed compact any time after receiving a copy of the compact from
11 the director. Within forty five days after receiving the proposed
12 compact from the director, the gambling commission, including the four
13 ex officio members, shall vote on whether to return the proposed
14 compact to the director with instructions for further negotiation or to
15 forward the proposed compact to the governor for review and final
16 execution.~~

17 ~~(7))~~ (5) Notwithstanding provisions in this section to the
18 contrary, if the director forwards a proposed compact to ~~((the gambling
19 commission and))~~ the designated standing committees within ten days
20 before the beginning of a regular session of the legislature, or during
21 a regular or special session of the legislature, the thirty-day time
22 limit set forth in subsection ~~((5))~~ (4) of this section ~~((and the
23 forty five day limit set forth in subsection (6) of this section are
24 each))~~ is forty-five days ~~((and sixty days, respectively))~~.

25 ~~((8))~~ (6) Funding for the negotiation process under this section
26 must come from the department of licensing gambling revolving fund.

27 ~~((9))~~ (7) In addition to the powers granted under this chapter,
28 the ~~((commission))~~ director, consistent with the terms of any compact,
29 is authorized and empowered to enforce the provisions of any compact
30 between a federally recognized Indian tribe and the state of
31 Washington.

32 **Sec. 56.** RCW 9.46.420 and 2002 c 252 s 3 are each amended to read
33 as follows:

34 The ~~((commission))~~ director shall consider the provisions of RCW
35 9.46.410 as elements to be negotiated with federally recognized Indian
36 tribes as provided in RCW 9.46.360.

1 **Sec. 57.** RCW 43.24.016 and 1999 c 240 s 4 are each amended to read
2 as follows:

3 (1) The director of licensing shall supervise and administer the
4 activities of the department of licensing and shall advise the governor
5 and the legislature with respect to matters under the jurisdiction of
6 the department.

7 (2) In addition to other powers and duties granted to the director,
8 the director has the following powers and duties:

9 (a) Enter into contracts on behalf of the state to carry out the
10 responsibilities of the department;

11 (b) Accept and expend gifts and grants, whether such grants be of
12 federal or other funds;

13 (c) Appoint a deputy director and such assistant directors, special
14 assistants, and administrators as may be needed to administer the
15 department. These employees are exempt from the provisions of chapter
16 41.06 RCW;

17 (d) Adopt rules in accordance with chapter 34.05 RCW and perform
18 all other functions necessary to carry out the responsibilities of the
19 department;

20 (e) Delegate powers, duties, and functions as the director deems
21 necessary for efficient administration, but the director is responsible
22 for the official acts of the officers and employees of the department;
23 ((and))

24 (f) Negotiate compacts for class III gaming on behalf of the state
25 with federally recognized Indian tribes in the state of Washington
26 under RCW 9.46.360;

27 (g) Administer the provisions of chapter 9.46 RCW to license and
28 regulate gambling; and

29 (h) Perform other duties as are necessary and consistent with law.

30 (3) The director may establish advisory groups as may be necessary
31 to carry out the responsibilities of the department.

32 (4) The internal affairs of the department shall be under the
33 control of the director in order that the director may manage the
34 department in a flexible and intelligent manner as dictated by changing
35 contemporary circumstances. Unless specifically limited by law, the
36 director shall have complete charge and supervisory powers over the
37 department. The director may create such administrative structures as

1 the director deems appropriate, except as otherwise specified by law,
2 and the director may employ such personnel as may be necessary in
3 accordance with chapter 41.06 RCW, except as otherwise provided by law.

4 **Sec. 58.** RCW 43.24.020 and 1999 c 240 s 1 are each amended to read
5 as follows:

6 In addition to other powers and duties granted to the department,
7 the director of licensing shall administer all laws with respect to the
8 examination of applicants for, and the issuance of, licenses to persons
9 to engage in any business, profession, trade, occupation, or activity
10 (including gambling activity), except for health professions.

11 **Sec. 59.** RCW 43.24.030 and 1965 c 8 s 43.24.030 are each amended
12 to read as follows:

13 The word "license" shall be construed to mean and include license,
14 certificate of registration, certificate of qualification, certificate
15 of competency, certificate of authority, and any other instrument, by
16 whatever name designated, authorizing the practice of a profession or
17 calling, the carrying on of a business or occupation, the conducting of
18 gambling activities, or the doing of any act required by law to be
19 authorized by the state.

20 **Sec. 60.** RCW 43.24.086 and 1999 c 240 s 2 are each amended to read
21 as follows:

22 It shall be the policy of the state of Washington that the cost of
23 each professional, occupational(~~(+)~~), gambling activity, or business
24 licensing program be fully borne by the members of that profession,
25 occupation(~~(+)~~), gambling activity, or business. The director of
26 licensing shall from time to time establish the amount of all
27 application fees, license fees, registration fees, examination fees,
28 permit fees, renewal fees, and any other fee associated with licensing
29 or regulation of professions, occupations(~~(+)~~), gambling activities,
30 or businesses, except for health professions, administered by the
31 department of licensing. In fixing said fees, the director shall set
32 the fees for each such program at a sufficient level to defray the
33 costs of administering that program. All such fees shall be fixed by
34 rule adopted by the director in accordance with the provisions of the
35 administrative procedure act, chapter 34.05 RCW.

1 **Sec. 61.** RCW 43.24.120 and 1997 c 58 s 868 are each amended to
2 read as follows:

3 Except as provided in RCW 43.24.112 and chapter 9.46 RCW, any
4 person feeling aggrieved by the refusal of the director to issue a
5 license, or to renew one, or by the revocation or suspension of a
6 license shall have a right of appeal to superior court from the
7 decision of the director of licensing, which shall be taken,
8 prosecuted, heard, and determined in the manner provided in chapter
9 34.05 RCW.

10 The decision of the superior court may be reviewed by the supreme
11 court or the court of appeals in the same manner as other civil cases.

12 NEW SECTION. **Sec. 62.** RCW 9.46.050 (Gambling commission--
13 Chairman--Quorum--Meetings--Compensation and travel expenses--Bond--
14 Removal) and 1984 c 287 s 9, 1975-'76 2nd ex.s. c 34 s 7, & 1973 1st
15 ex.s. c 218 s 5 are each repealed.

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