

SENATE BILL REPORT

SB 5040

As Reported by Senate Committee On:
Labor, Commerce & Consumer Protection, January 19, 2009

Title: An act relating to clarifying and prescribing penalties for gambling under the age of eighteen.

Brief Description: Clarifying and prescribing penalties for gambling under the age of eighteen.

Sponsors: Senators Delvin, Prentice, King and Kohl-Welles; by request of Gambling Commission.

Brief History:

Committee Activity: Labor, Commerce & Consumer Protection: 1/15/09, 1/19/09 [DPS].

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Majority Report: That Substitute Senate Bill No. 5040 be substituted therefor, and the substitute bill do pass.

Signed by Senators Keiser, Vice Chair; Holmquist, Ranking Minority Member; Franklin, Honeyford, King and Kline.

Staff: Kathleen Buchli (786-7488)

Background: Minors may not participate in activities regulated by the Gambling Commission (Commission), except that, by rule, a person under the age of 18 may sell raffle tickets and may play bingo at agricultural fairs and school carnivals or when accompanied by an adult member of that person's immediate family or a guardian, and school-aged minors (between age six and 18) may play commercial amusement games at certain locations during specified times.

The gambling establishment and those persons operating gambling activities are responsible for assuring that persons under the age of 18 are not playing in or participating in the operation of any gambling activity. The Commission may fine a licensee, operator, or dealer who allows a minor to participate in a gambling activity. Minors who illegally participate or attempt to participate in gambling activities are not penalized.

Summary of Bill (Recommended Substitute): Persons under the age of 18 may play bingo, raffles, and amusement game activities as provided in Commission rule. Persons under the

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age of 18 may not participate in other gambling activities including punchboards, pull-tabs, card games, and fund-raising events. A minor who engages in prohibited gambling activities commits a class 2 civil infraction and is subject to a fine, community restitution, and court costs. The minor may not collect winnings or recover losses arising from unlawfully participating in gambling activities. Any money or item of value that is awarded to a minor must be forfeited to the Department of Social and Health Services Division of Alcohol and Substance Abuse and used for youth problem gambling awareness, prevention, and/or education.

Employers may conduct in-house controlled purchase programs for the purposes of employee training and employer self-compliance checks.

EFFECT OF CHANGES MADE BY LABOR, COMMERCE & CONSUMER PROTECTION COMMITTEE (Recommended Substitute): Clarifies that the forfeiture provision applies only to money or items of value that is awarded to a minor who participates in unlawful gambling activities.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: Currently, operators of card rooms are fined if a juvenile gambles on their premises, but there are not penalties for the juvenile. This will bring some awareness to juveniles that there are consequences to gambling before they are of legal age and sends a strong message to them. This came about because the Commission received a complaint about minors playing cards in a card room near a high school. An investigation showed that this had not occurred, but it did start underage compliance inspections with the Liquor Control Board. While compliance rates are up, there are no penalties to the minor. The non-tribal card rooms support a deterrent to minors who attempt to gamble and support the opportunity to create in-house sting operations to ensure their employees are trained. In North America at least 15 million American youth at one point have engaged in illegal gambling. This poses a danger to families, and it is one gamble the state cannot afford to take. Gambling under the age of 18 can lead to a lifetime of problem gambling.

Persons Testifying: PRO: Senator Delvin, prime sponsor; Amy Hunter, Gambling Commission; Dolores Chiechi, Recreational Gaming Association; Russell Johnson, Family Policy Institute.