

# Washington



## Regulatory Oversight

### TRIBAL GAMING

**Governing Body:** In Washington, 29 federally recognized tribes have signed compacts with the state.

Authorized games include all Class II and Class III gaming activities that are authorized under Nevada law, including table games, poker, sports pools, keno, punchboards, and pull-tabs. In 1998 the tribes signed an amendment to the compacts known as Appendix X. Appendix X allowed the compacted tribes to operate a gaming system called the Tribal Lottery System (TLS). The TLS allows tribes to use electronic gaming machines at tribal casinos that offer both online and instant lottery games.

In 2020, Washington Governor Jay Inslee signed House Bill 2638 into law, authorizing in-person sports wagering at tribal casinos and via mobile platforms available exclusively on tribal reservations.

Each tribe must establish a tribal gaming commission or agency to regulate all tribal gaming operations. The commissions or agencies are responsible for enforcement of the compact provisions and all tribal ordinances and regulations.

The Washington State Gambling Commission (WSGC) is given limited authority to regulate gaming on tribal lands through provisions contained in the compacts.

In June 2015, the Bureau of Indian Affairs issued a notice of approval of amendments to tribal gaming compacts between Washington and 27 of the 29 federally-recognized tribes located in the state. According to a WSGC press release, the amendments will allow each tribe's allocation of player terminals (gaming machines) to increase from 975 to 1,075. However, tribes are allowed to obtain machine rights from other tribes.

The compacts remain in effect in perpetuity and may only terminate by written agreement of both parties or on the date that all gaming operations covered by the compact cease.



## Licensing

### TRIBAL GAMING

**Operator:** The tribes must pay their share of the state gaming agency's actual costs which are reasonably incurred in order to commence and carry out its regulatory functions with respect to the tribe's gaming.

**Manufacturers and Suppliers:** Each manufacturer and supplier of gaming services must be licensed by the tribal gaming commission and certified by the state gaming agency. Under the compacts, if a supplier or manufacturer is currently licensed by the state of Washington to supply goods or services to any other tribe in the state, it will be deemed certified for the purposes of the compact. The licensing and certification must be renewed annually. State certification fees are \$1500 for in-state manufacturers/suppliers and \$5,000 for out-of-state. The state certifications must be renewed annually for \$500. Tribal gaming license fees are set by each tribe and are not listed in the tribal-state gaming compacts or gaming ordinances.



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## Taxation & Tribal Revenue Sharing

### TRIBAL GAMING

**Revenue Share:** The tribes are required to pay certain amounts to the state as compensation for regulatory oversight. In addition, the tribes must make the following payments:

**Community Contribution:** Under the original compacts, the tribes agree to establish a fund for purposes of providing assistance to law enforcement, emergency services, and/or services agencies (including those responsible for traffic and transportation) impacted by the Class III gaming facility. The tribes must disburse 2 percent of the net win from the Class III gaming operation for this fund.

**Impact Costs:** Under Appendix X2, up to 0.5 percent of the net win from TLS activities, determined on an annual basis, must be added to any amounts payable and distributable from other Class III activities under the compact in order to meet community impacts, “but only to the extent such compact amounts are insufficient to meet actual and demonstrated impact costs.”

**Charitable Donations:** Under Appendix X2, 0.5 percent of the net win from TLS activities, determined on an annual basis, must be donated to non-tribal bona fide non-profit and charitable organizations in the state.

**Community Impacts:** Under Appendix X2, up to 0.5 percent of the net win from TLS activities, determined on an annual basis, must be applied to tribal government programs which assist the tribe and its members in becoming self-sufficient, such as programs concerned with tribal law enforcement, education, housing, health, elderly care, safety, and gaming regulation.

**Smoking Cessation Contribution:** Under Appendix X2, each gaming tribe must contribute 0.13 percent of the net win from all TLS activities to governmental or non-profit organizations that help discourage the use of tobacco.

**State Use of Revenue:** The state uses revenue from tribal gaming for charitable donations, community impacts, and smoking cessation programs.

**Tribal Use of Revenue:** As required under IGRA, tribes must use tribal gaming funds:

1. To fund tribal government operations or programs;
2. To provide for the general welfare of the tribe and its members;
3. To promote tribal economic development;
4. To donate to charitable organizations; or
5. To help fund operations of local government agencies.

**Withholding on Winnings:** The state does not withhold a percentage of gambling winnings. However, federal law may require tribal casinos to issue a W-2G form to persons and may withhold winnings if certain conditions are met. For more information click [here](#).

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## Responsible Gaming

### TRIBAL GAMING

**Statutory Funding Requirement:** The tribes must contribute 0.13 percent of their annual net win from Class III gaming to organizations that help reduce problem gambling.

**Self-exclusion:** In April 2022, the Washington State Gambling Commission launched its self-exclusion program permitting patrons to voluntarily exclude themselves from all commercial and tribal gaming activity.

Patrons may choose to exclude themselves for one year, three years, five years, or ten years and cannot remove themselves from the list until expiration of their term.

**Complimentary Alcoholic Drinks:** Complimentary alcoholic drinks are not offered at tribal casinos in Washington.

**Advertising Restrictions:** There are no advertising restrictions in the tribal-state gaming compacts or tribal gaming ordinances.

**On-Premise Display Requirement:** There are no on-premise display requirements in the tribal-state gaming compacts or tribal gaming ordinances.

**Prevention of Underage Gambling:** No person under the age of 18 may take part in any gambling activity or be present on the gaming floor.

**Operation on Holidays:** Tribal casinos in the state may operate 24 hours a day, seven days a week, including on holidays



## Other Regulations

### TRIBAL GAMING

**Testing Requirements:** Prior to operation, all electronic gaming devices must be tested and certified by a state-licensed gaming laboratory. The tribes are responsible for the payment of all gaming test laboratory fees and costs.

**AML requirements:** Under federal U.S. law, commercial casino operators, tribal gaming operators and card clubs are required to comply with various statutes in order to prevent money laundering activities and other financial crimes, including terrorism.

**Shipping Requirements:** Under federal U.S. law, all gambling devices and all packages containing gambling devices, when shipped or transported, must be plainly and clearly labeled and marked so that the name and address of the shipper and the consignee and the contents of the package may be readily ascertained on an inspection of the package.

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**Restrictions on Political Contributions:** There are no compact restrictions on political contributions from parties with gaming interests. Under federal law, tribes are considered “persons” and are subject to regulation by the Federal Election Commission when making federal contributions.

**Credit:** Tribal casinos in Washington may not offer credit to patrons.

**Smoking Bans:** Smoking is permitted in tribal gaming facilities. However, under the terms of the compacts, each gaming tribe must contribute 0.13 percent of the net win from all TLS activities to governmental or non-profit organizations that help discourage the use of tobacco.

**Cashless Gaming & Alternative Payments:** Cashless gaming is permitted. However, cryptocurrency is not currently accepted as a form of payment for gambling transactions.



## Sports Betting

**Authorized Operators:** State law authorizes in-person sports wagering at tribal casinos and via mobile platforms available exclusively on tribal reservations. Tribes need to amend their compacts in order to offer sports betting.

**Mobile/Online:** State law authorizes sports wagering via mobile platforms available exclusively on tribal reservations.

**Taxes and Fees:** N/A.

**Amateur Restrictions:** Betting on games involving collegiate teams from Washington is expressly prohibited.

**Official Data Mandate & Integrity Fee:** State law does not provide for an official data mandate or integrity fee.

