

Chapter 230-14 WAC

PUNCH BOARD AND PULL-TAB RULES

WAC

PUNCH BOARDS AND PULL-TABS

- 230-14-001 Defining "licensee," "licensees," "operator," and "operators."
- 230-14-005 Defining "punch board."
- 230-14-010 Defining "pull-tab."
- 230-14-015 Rules apply to both punch boards and pull-tabs.
- 230-14-020 Washington state identification and inspection stamps to be called "I.D. stamps."
- 230-14-025 Punch boards, pull-tabs, and pull-tab dispensers must meet all requirements.
- 230-14-030 Determining winners or location of winners in advance prohibited.
- 230-14-035 Defining "pull-tab series."
- 230-14-040 Maximum number of pull-tabs in a series.
- 230-14-045 Authorized pull-tab dispensers.
- 230-14-047 Standards for electronic video pull-tab dispensers.
- 230-14-050 Operating restrictions for punch boards and pull-tabs.
- 230-14-055 Selling pull-tabs.
- 230-14-060 Defining "flare."
- 230-14-065 Flares for punch board or pull-tab series.
- 230-14-070 Displaying flares.
- 230-14-075 Substitute flares.
- 230-14-080 Prize limits and percentage of winners required.
- 230-14-085 Calculating markup for merchandise prizes.
- 230-14-090 Controlling prizes.
- 230-14-095 Displaying prizes.
- 230-14-100 Removing prizes from flares.
- 230-14-105 Paying prizes not deleted from flares.
- 230-14-110 Recording winners.
- 230-14-115 Defacing winning punches or pull-tabs.
- 230-14-120 Permanently reserving punch boards or pull-tab series.
- 230-14-125 Temporarily removing punch boards or pull-tab series from play.
- 230-14-130 Defining "happy hour punch board or pull-tab games."
- 230-14-135 Operating spindle, banded, or "jar" type pull-tabs which award only merchandise prizes.

SEAL CARD PULL-TAB SERIES

- 230-14-140 Defining "seal card pull-tab series."
- 230-14-145 Defining "seal card round."
- 230-14-150 Awarding seal card pull-tab winners.

PROGRESSIVE JACKPOT PULL-TAB SERIES

- 230-14-155 Definitions for "progressive jackpot pull-tab series."
- 230-14-160 Progressive jackpot dispensers with a bank system.
- 230-14-165 Additional operating requirements for progressive jackpot pull-tab series.
- 230-14-170 Prizes in progressive jackpot pull-tab series.
- 230-14-175 Removing progressive jackpot pull-tab series from play.
- 230-14-180 Paying out prizes and defacing tabs in progressive jackpot pull-tab series.
- 230-14-185 Additional recordkeeping for progressive jackpot pull-tab series.

EVENT PULL-TAB SERIES

- 230-14-190 Defining "event pull-tab series" and "event round."
- 230-14-195 Operating requirements for event pull-tabs.

BONUS PULL-TAB SERIES

- 230-14-200 Defining "bonus pull-tab series."
- 230-14-205 Operating requirements for bonus pull-tab series.
- 230-14-210 Flares for bonus and step-up prizes.

CARRY-OVER JACKPOT PULL-TAB SERIES

- 230-14-215 Defining "carry-over jackpot pull-tab series" and "contribution amount."
- 230-14-220 Prize limits for carry-over jackpot pull-tab series.
- 230-14-225 Sufficient funds for carry-over jackpot pull-tab prizes.
- 230-14-230 Transferring a carry-over jackpot to another game.
- 230-14-235 Replacing played out carry-over jackpot series.

- 230-14-240 Distributing carry-over pull-tab jackpots.
- 230-14-245 Retaining carry-over jackpot pull-tab series.
- 230-14-250 Recording carry-over jackpots on a cash basis.

CHARITABLE OR NONPROFIT ORGANIZATIONS OPERATING PUNCH BOARDS AND PULL-TABS

- 230-14-255 Net income and cash flow requirements when operating punch boards and pull-tabs.

RECORDKEEPING FOR PUNCH BOARDS AND PULL-TABS

- 230-14-260 Inventory control.
- 230-14-265 Retention requirements for punch boards and pull-tab series.
- 230-14-266 Location of unplayed punch boards and pull-tab series.
- 230-14-270 Additional retention requirements for some commercial stimulant licensees.
- 230-14-275 Returning punch boards and pull-tab series to the distributor or manufacturer.
- 230-14-280 Records review of gross gambling receipts.
- 230-14-284 Activity reports for punch board and pull-tab licensees.
- 230-14-285 Monthly income summary.
- 230-14-290 Calculating cash over and cash short on the punch board and pull-tab monthly income summary.
- 230-14-295 Electronic facsimiles of I.D. stamps.
- 230-14-320 Defining a cumulative prize pool pull-tab game.
- 230-14-325 Defining a cumulative prize pool pull-tab game board.
- 230-14-330 Defining a cumulative prize pool pull-tab series.
- 230-14-335 Operating requirements for cumulative prize pool pull-tab games.

PUNCH BOARDS AND PULL-TABS

WAC 230-14-001 Defining "licensee," "licensees," "operator," and "operators." (1) In this chapter, "licensee" and "licensees" mean the business holding the punch board and pull-tab license.

(2) "Operator" and "operators" mean licensees and those operating the gambling activity for the licensees, for example, those selling pull-tabs to players or putting out games for play.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-001, filed 8/10/07, effective 1/1/08.]

WAC 230-14-005 Defining "punch board." A "punch board" means:

(1) A board with a number of openings of uniform size in which the manufacturer placed, at random, slips of paper or other substances (punches) imprinted with numbers or symbols; and

(2) A flare (face sheet) covers the openings and sets out the winning numbers or symbols and which prizes players may win. The punches have specific serial numbers assigned and printed on them; and

(3) After buying a punch, a player may select and remove the punch from the opening of the punch board, and, if the number on the selected punch matches the flare, the specified prize is awarded to the player.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-005, filed 8/10/07, effective 1/1/08.]

WAC 230-14-010 Defining "pull-tab." A "pull-tab" means:

- (1) A single folded tab that conceals number(s) or symbol(s) from view; or
- (2) A banded tab that conceals number(s) or symbol(s) from view; or
- (3) A card with the face covered by perforated window(s) or otherwise hidden to conceal number(s) or symbol(s) from view.
- (4) Some of the number(s) in each series of pull-tabs have been selected in advance and at random as prize winners.

(5) After buying a pull-tab, a player opens the pull-tab and, if the numbers or symbols on the pull-tab match the flare, the player wins the prize.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-010, filed 8/10/07, effective 1/1/08.]

WAC 230-14-015 Rules apply to both punch boards and pull-tabs. Commission rules that apply to operators of both punch boards and pull-tabs also apply to operators of only one of these activities.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-015, filed 8/10/07, effective 1/1/08.]

WAC 230-14-020 Washington state identification and inspection stamps to be called "I.D. stamps." Because the agents, manufacturers, and other licensees have long referred to Washington state identification and inspection stamps as "I.D. stamps," we will use this abbreviated name for the stamps throughout the rules.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-020, filed 8/10/07, effective 1/1/08.]

WAC 230-14-025 Punch boards, pull-tabs, and pull-tab dispensers must meet all requirements. Operators must not display or put out for play any punch board, pull-tab series, or pull-tab dispenser that does not comply with chapter 9.46 RCW and Title 230 WAC.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-025, filed 8/10/07, effective 1/1/08.]

WAC 230-14-030 Determining winners or location of winners in advance prohibited. Manufacturers, distributors, operators, and representatives must not possess, display, sell, or otherwise furnish a pull-tab series when they know, or reasonably should have known, that:

- (1) The location, or approximate location, of any of the winning pull-tabs can be determined in advance of opening by:
 - (a) Any pattern in the manufacture, assembly, or packaging of the tabs; or
 - (b) Any markings on the tabs or container; or
 - (c) The use of a light; or
- (2) The winning tabs have not been distributed and mixed among all other tabs in the series.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-030, filed 8/10/07, effective 1/1/08.]

WAC 230-14-035 Defining "pull-tab series." A "pull-tab series" means all the pull-tabs in a group produced by a

[Ch. 230-14 WAC—p. 2]

manufacturer that offer a single set of prizes specified on the manufacturer's accompanying flare.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-035, filed 8/10/07, effective 1/1/08.]

WAC 230-14-040 Maximum number of pull-tabs in a series. The maximum number of pull-tabs must be no more than:

- (1) Twenty-five thousand in a series; or
- (2) Ten thousand in a carry-over jackpot series; or
- (3) Fifty thousand in progressive jackpot series.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-14-040, filed 10/22/07, effective 1/1/08; 07-17-058 (Order 614), § 230-14-040, filed 8/10/07, effective 1/1/08.]

WAC 230-14-045 Authorized pull-tab dispensers. (1) Authorized pull-tab dispensers must:

- (a) Be made by a licensed manufacturer; and
- (b) Conspicuously display a stamp, seal, or label identifying the manufacturer, city, and state where manufactured; and
- (c) Be stamped with a serial number on the case.
- (2) Perforated window type pull-tab dispensers must:
 - (a) Have a resettable counter visible to the customer indicating the number of pull-tabs left in the dispenser; or
 - (b) Be made so that players can:
 - (i) Clearly see each pull-tab in the dispenser, except for that area at the bottom, not more than one inch in height, covered for security or mechanical reasons; and
 - (ii) Estimate how many pull-tabs remain within the dispenser using permanent markings which divide the pull-tabs remaining into divisions of approximately twenty-five tabs.
 - (3) "Jar" or "banded" type pull-tab dispensers must:
 - (a) Have a resettable counter visible to the player indicating the number of jar or banded tabs left in the dispenser; or
 - (b) Be made so that players can clearly see all jar or banded tabs or jar tab bundles within the dispenser.
 - (4) Dispensers with bill acceptors or similar mechanisms must inform the player if they do not return change.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-045, filed 8/10/07, effective 1/1/08.]

WAC 230-14-047 Standards for electronic video pull-tab dispensers. Electronic video pull-tab dispensers must be approved by us prior to use, meet the requirements below, and may incorporate only the features below and not perform additional functions.

(1) Electronic video pull-tab dispensers must dispense a paper pull-tab as defined in WAC 230-14-010 and follow the rules for:

- (a) Pull-tabs; and
- (b) Flares; and
- (c) Authorized pull-tab dispensers.

(2) Electronic video pull-tab dispensers that use a reading and displaying function must:

- (a) Use a video monitor for entertainment purposes only; and
- (b) Open all, or a portion of, the pull-tab in order to read encoded data that indicates the win or loss of the pull-tab if the dispenser is equipped to automatically open pull-tabs; and

(4/14/10)

(c) Dispense the pull-tab to the player and not retain any portion of the pull-tab; and

(d) Read the correct cash award from the pull-tab either when it is dispensed or when the pull-tab is reinserted into the dispenser; and

(e) Display the cash award from the pull-tab, one pull-tab at a time; and

(f) Provide:

(i) An electronic accounting of the number of pull-tabs dispensed; and

(ii) A way to identify the software version and name; and

(iii) A way to access and verify approved components; and

(iv) Security on the dispenser to prevent unauthorized access to graphic and prize amount displays.

(3) Gift certificates or gift cards used in electronic video pull-tab dispensers must:

(a) Be purchased with cash, check or electronic point-of-sale bank transfer before use in the dispenser; and

(b) Be convertible to cash at any time during business hours; and

(c) Subtract the cash value for the purchase of the pull-tab one pull-tab at a time.

[Statutory Authority: RCW 9.46.070. 08-03-052 (Order 621), § 230-14-047, filed 1/11/08, effective 2/11/08.]

WAC 230-14-050 Operating restrictions for punch boards and pull-tabs. (1) Punch board and pull-tab operators must ensure no unauthorized person buys, plays, or sells punch boards or pull-tab series; and

(2) Licensees must:

(a) Not display or operate any punch board or pull-tab series which may have been marked, defaced, or tampered with in any way that could affect the chances of winning; and

(b) Not change a flare, except to:

(i) Delete prizes won; or

(ii) Correct inadvertently deleted prizes; or

(iii) Add a substitute flare; and

(c) Keep all records, reports, and receipts relating to punch boards or pull-tab series in play on the licensed premises as long as they are in play. They must make all records, reports, and receipts available on demand to law enforcement officers and us; and

(d) Not place out for further play any punch board or pull-tab series that they have permanently removed from play.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-050, filed 8/10/07, effective 1/1/08.]

WAC 230-14-055 Selling pull-tabs. (1) No one may add pull-tabs to a series after the manufacturer has shipped that series.

(2) Pull-tab operators must:

(a) Thoroughly mix all pull-tabs in a series before placing them in a dispenser or clear container and offering them for sale. Operators may assemble pull-tabs into bundles with a sales price of up to twenty dollars as long as they thoroughly mix the bundles before they sell them; and

(b) Sell all pull-tabs from a dispenser we approved or a clear container. Pull-tabs sold from a container must be visi-

(4/14/10)

ble to players so players are able to estimate the number of chances remaining in the series; and

(c) Put out the entire pull-tab series for play. If using a spindle series, licensees may set the spindle on a nearby surface, for example, on the counter; and

(d) Not put a new pull-tab series in a dispenser or a clear container until they completely play out or permanently remove from play the series currently in the dispenser or container. If using a multiple-series dispenser, operators must offer each series independently.

(3) Once put out for play, operators must not remove pull-tabs from the dispenser or container until they are:

(a) Sold; or

(b) Permanently removed from play; or

(c) Removed by us or other law enforcement agencies inspecting the dispenser; or

(d) Temporarily removed during necessary repair or maintenance; or

(e) Removed to be held permanently for a player.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-055, filed 8/10/07, effective 1/1/08.]

WAC 230-14-060 Defining "flare." A "flare" (also known as a "face sheet" for punch boards) means an advertising poster or card listing all the prizes, costs to play, number of pull-tabs, and required manufacturer information for pull-tab series.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-060, filed 8/10/07, effective 1/1/08.]

WAC 230-14-065 Flares for punch board or pull-tab series. (1) Punch board and pull-tab licensees must have in public view only one flare per punch board or pull-tab series. Flares must have an I.D. stamp number and series number on their face.

(2) Cumulative prize pool pull-tab games must have a cumulative prize pool board and a unique flare for each series.

[Statutory Authority: RCW 9.46.070. 09-17-077 (Order 657), § 230-14-065, filed 8/14/09, effective 1/1/10; 07-17-058 (Order 614), § 230-14-065, filed 8/10/07, effective 1/1/08.]

WAC 230-14-070 Displaying flares. (1) Punch board or pull-tab operators must place flares in plain view and in the vicinity of the pull-tab container or dispenser.

(2) If operators do not attach the flare directly to the container or dispenser, they must include a numerical or alphabetical reference directly on the flare and on the container or dispenser indicating which flare corresponds to which series.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-070, filed 8/10/07, effective 1/1/08.]

WAC 230-14-075 Substitute flares. Manufacturers must make all flares. Operators or distributors must not alter flares, except that substitute flares are allowed if:

(1) The manufacturer, distributor, or operator who changes the original flare and attaches the substitute flare is responsible for ensuring that the substitute flare meets all other requirements for flares; and

(2) Manufacturers, distributors, or operators must permanently deface the original manufacturer's flare and attach the substitute flare to the original.

(3) Distributors or operators may apply manufacturer-produced substitute flares to punch boards and pull-tab series; and

(4) Distributors or operators must place substitute flares only on the upper face or the top of the punch board; and

(5) If distributors or operators convert flares from cash-only prizes to combined merchandise and cash prizes, they must offer at least fifty percent of the total value of the prizes in merchandise; and

(6) Distributors or operators may use substitute flares on punch boards and pull-tab series which offer merchandise or combination merchandise-cash prizes. These flares must use numbers, not symbols, to denote winners. Distributors or operators making substitute flares must:

(a) Select winning numbers from the manufacturer's original flare, or from the manufacturer's designated winning numbers on the punch board; and

(b) Assign the highest valued prize(s) to the lowest available winning number(s); and

(c) Assign the second highest valued prize(s) to the next lowest available winning number(s) and repeat that pattern until they have assigned all prizes based on their value to winning numbers. Distributors may select winning numbers sequentially from the manufacturer's original flare; and

(7) Substitute flares must have the I.D. stamp number and series number permanently recorded in ink on its face.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-14-075, filed 10/22/07, effective 1/1/08; 07-17-058 (Order 614), § 230-14-075, filed 8/10/07, effective 1/1/08.]

WAC 230-14-080 Prize limits and percentage of winners required. Punch board or pull-tab operators must not possess, display, put out for play, sell, or otherwise transfer punch boards or pull-tab series that:

(1) Have a total payout of less than sixty percent of the total gross gambling receipts of the board or series, except in cumulative prize pool pull-tab games. In cumulative prize pool pull-tab games, the sixty percent prize payout requirement will be calculated based on the total amount of prizes from the cumulative prize pool board and the instant winners from each series, divided by the number of series contained in the game; and

(2) Offer boards or series, except for progressive series or carry-over jackpots, with a single cash prize that is more than twenty-five hundred dollars; or

(3) Offer a single merchandise prize that is more than twenty-five hundred dollars including markup; or

(4) Have a single pull-tab or punch with multiple winning combinations that are more than the prize limit; or

(5) Offer prizes for purchasing the last pull-tab or last punch (last sale) that are more than:

(a) One hundred dollars cash; or

(b) Merchandise that costs the licensee more than one hundred dollars; or

(c) The highest prize offered, whichever is less; or

(6) Series that have a key to any winning numbers or symbols.

[Ch. 230-14 WAC—p. 4]

[Statutory Authority: RCW 9.46.070. 09-17-077 (Order 657), § 230-14-080, filed 8/14/09, effective 1/1/10; 08-03-062 (Order 623), § 230-14-080, filed 1/14/08, effective 2/14/08; 07-17-058 (Order 614), § 230-14-080, filed 8/10/07, effective 1/1/08.]

WAC 230-14-085 Calculating markup for merchandise prizes. (1) To calculate sixty percent of total gross for merchandise prizes, operators take the amount actually paid for the prize and add to it no more than fifty percent of that cost as markup.

(2) Gift certificates from a licensee's own establishment may be used as merchandise prizes for pull-tab games but must not be included in the sixty percent payout calculation.

(3) The total cost to the operator for the purchase of a prize must not exceed twenty-five hundred dollars.

[Statutory Authority: RCW 9.46.070. 08-11-044 (Order 628), § 230-14-085, filed 5/14/08, effective 7/1/08; 07-17-058 (Order 614), § 230-14-085, filed 8/10/07, effective 1/1/08.]

WAC 230-14-090 Controlling prizes. Punch board and pull-tab operators must:

(1) Protect players from fraud and game manipulation.

(2) Award all prizes won.

(3) Only award cash or merchandise as prizes. A player who has won a cash prize may make a request to the person redeeming the winning pull-tab that the player be given additional pull-tabs instead of cash. An operator may agree to such a request.

(4) Not offer to pay cash instead of merchandise prizes.

(5) Not award additional punches or tabs as a prize.

Prizes, however, may involve the opportunity to advance and win a larger prize on the same punch board or pull-tab series. Operators must award an immediate additional opportunity to advance called a bonus prize when offered in a bonus pull-tab series or a step-up prize when offered on a punch board.

[Statutory Authority: RCW 9.46.070 and 9.46.0273. 10-09-032 (Order 667), § 230-14-090, filed 4/14/10, effective 7/1/10. Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-090, filed 8/10/07, effective 1/1/08.]

WAC 230-14-095 Displaying prizes. Punch board and pull-tab operators must:

(1) Clearly represent cash prizes on the prize flare; and

(2) Display merchandise prizes:

(a) In plain view and in the immediate vicinity of the punch board or pull-tab series. However, operators may wrap merchandise prizes for games that offer "surprise" prizes so players are unable to identify the prize until opened; or

(b) Elsewhere on the premises if size or space constraints do not allow it to be displayed in the immediate vicinity, as long as operators note a specific reference to the prize on the flare; or

(c) Use an accurate description or photograph of the prize in plain view on, or immediately adjacent to, the flare if operators cannot display the prize merchandise on the premises; and

(3) Meet all the requirements of subsections (1) and (2) of this section for combination cash and merchandise prizes.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-095, filed 8/10/07, effective 1/1/08.]

WAC 230-14-100 Removing prizes from flares. (1)

After receiving a winning punch or pull-tab for more than twenty dollars or merchandise with a retail value of more than twenty dollars, operators must immediately permanently and conspicuously delete all reference to the prize from the flare and from any other list, sign, or notice. Operators then must pay or deliver the prize to the winner.

(2) On step-up punch boards and bonus pull-tab games, once all chances to win in a section of the flare are won, operators must delete all references to prizes.

(3) Operators may correct an inadvertently deleted prize by noting on the flare that such prize is still available. When they actually award the prize, operators must permanently and conspicuously delete the reference.

(4) If operators elect to delete prizes of less than twenty dollars from flares, they must continue to do so until they remove the games from play.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-100, filed 8/10/07, effective 1/1/08.]

WAC 230-14-105 Paying prizes not deleted from flares. When a player buys out a punch board or pull-tab series, operators must award the player all prizes not deleted from the flare that were required to be deleted, even if the operator failed to delete the prize from the flare when originally won.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-105, filed 8/10/07, effective 1/1/08.]

WAC 230-14-110 Recording winners. When punch board or pull-tab players win more than twenty dollars or merchandise prizes with a retail value over twenty dollars, operators must make a record by:

(1) Having winners print their name and date of birth, in ink, on the side of the winning punch or tab opposite the winning symbol(s) and verifying the winner's identity and recording the current date and initialing the winning punch or tab; or

(2) Recording the required information on a sheet of paper at least three inches by five inches and stapling the winning tab or punch to the paper if the pull-tab or punch is constructed or printed so that recording the information required in a legible manner is not possible.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-110, filed 8/10/07, effective 1/1/08.]

WAC 230-14-115 Defacing winning punches or pull-tabs. Within twenty-four hours after a winning punch or pull-tab over twenty dollars is presented for payment, licensees must permanently deface the pull-tab or punch so that it cannot be presented again for payment.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-115, filed 8/10/07, effective 1/1/08.]

WAC 230-14-120 Permanently reserving punch boards or pull-tab series. Operators may permanently reserve a series for a player who leaves the premises, but intend to return and play the game. The operator must:

(1) Prominently post house rules that are clear in meaning and with criteria for reserving a series and the length of time players may reserve a series; and

(2) Ensure that the player meets the criteria in the house rules; and

(3) Contain all of the reserved series in a secure manner, clearly identifying it as permanently reserved, and store it in the immediate vicinity of the pull-tab area; and

(4) Not reserve a board or series for a player without play for more than seven days and not be more than a total reserve time of fourteen days; and

(5) Not have more than twenty-five boards or series permanently reserved for players at one time; and

(6) Maintain adequate accounting records showing the status of all reserved boards or series; and

(7) Not place reserved boards or series out for public play after the reserving player finishes playing them.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-14-120, filed 1/14/08, effective 2/14/08; 07-17-058 (Order 614), § 230-14-120, filed 8/10/07, effective 1/1/08.]

WAC 230-14-125 Temporarily removing punch boards or pull-tab series from play. Operators may temporarily remove punch boards or pull-tab series from play and return them to play later. Operators must clearly identify the punch board or pull-tab series as reserved and prominently post house rules regarding hours of play or other conditions affecting play. Operators may temporarily remove punch boards or pull-tab series if they are:

(1) Reserving a board or series for a player, as long as the operator ensures that the player meets the criteria in the house rules; or

(2) Repairing or maintaining the pull-tab dispenser or container; or

(3) Reserving a punch board or pull-tab series for play during certain hours of operation, for example, a "happy hour" game; or

(4) Complying with the game removal requirements of WAC 230-14-050.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-125, filed 8/10/07, effective 1/1/08.]

WAC 230-14-130 Defining "happy hour punch board or pull-tab games." (1) A "happy hour punch board or pull-tab game" means a series where licensees offer additional prizes to winners during a selected period.

(2) Licensees may increase advertised prizes or add cash or merchandise prizes to punch board or pull-tab series if licensees:

(a) Do not change the manufacturer's flare; and

(b) Disclose to players by permanently attaching an additional sign or notice to the manufacturer's flare:

(i) The requirements to qualify for prizes; and

(ii) The prizes offered; and

(c) Add the increased or additional prizes to every prize within a tier or section of the flare; and

(d) Staple or otherwise permanently attach documentation about all additional prizes to the winning punch or pull-tab. Minimum documentation must include a description of the prize and the name of the winner.

(3) Charitable or nonprofit licensees must only offer one happy hour punch board or pull-tab series at any one time.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-130, filed 8/10/07, effective 1/1/08.]

WAC 230-14-135 Operating spindle, banded, or "jar" type pull-tabs which award only merchandise prizes. (1) Pull-tab series which award only merchandise prizes valued at no more than twenty dollars may use formats with predesignated pull-tabs where:

- (a) Some pull-tabs are free; or
- (b) Players are reimbursed for the cost of the pull-tabs.

(2) Flares for spindle-type pull-tab series must indicate the total number of pull-tabs and the total number of pull-tabs designated as free or reimbursable.

(3) Free or reimbursable pull-tabs do not constitute prizes. Operators must not include as revenue money collected and later reimbursed when determining gross gambling receipts.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-135, filed 8/10/07, effective 1/1/08.]

SEAL CARD PULL-TAB SERIES

WAC 230-14-140 Defining "seal card pull-tab series." "Seal card pull-tab series" means a pull-tab series that includes a predetermined number of pull-tabs which allow players to advance to the "seal card round."

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-140, filed 8/10/07, effective 1/1/08.]

WAC 230-14-145 Defining "seal card round." (1) "Seal card round" means a secondary element of chance game linked with the pull-tab series.

(2) Seals on the pull-tab flare conceal prizes for the secondary element of chance game.

(3) Winners who advance to the seal card round place their names on the list that matches the winning pull-tab number or symbol.

(4) Players win the prizes behind the seals when the seal card round ends and the operator opens all the seals.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-145, filed 8/10/07, effective 1/1/08.]

WAC 230-14-150 Awarding seal card pull-tab winners. (1) Pull-tab operators using seal card pull-tabs series must:

- (a) Award seal card round prizes for all seal card pull-tab series placed out for play; and
- (b) Establish and fully disclose the method of selecting alternate winners before placing a game out for play.

(2) When players buy pull-tabs that allow them to enter the seal card round, the operator must:

(a) Enter, or allow the winners to enter, their names on the flare where indicated by the number or symbol on the pull-tab. Players must then turn in their pull-tabs to the operator; and

(b) Gather player contact information and keep it with the records of the series during the record retention period; and

(c) Wait until the series plays out before removing it from play, unless the operator elects to award the seal card round prizes without all pull-tabs being purchased.

(3) After the series is played out, or when they begin to award prizes, operators must:

(a) Contact the seal card round winner within two business days of the end of the series; and

(b) Allow the winner fourteen days after being contacted to redeem their prize; and

(c) Keep all series on premises and available for public inspection for a period of fourteen days after they pull them from play; and

(d) Keep the series until they name a winner for the game if they do not locate the seal card round winner within fourteen days.

(4) If seal card round winners do not redeem their prizes within fourteen days, licensees must select alternate winners.

(5) Licensees must not use substitute flares, bonus pull-tab series, or carry-over jackpots with seal card pull-tab series.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-150, filed 8/10/07, effective 1/1/08.]

PROGRESSIVE JACKPOT PULL-TAB SERIES

WAC 230-14-155 Definitions for "progressive jackpot pull-tab series." (1) "Progressive jackpot pull-tab series" means a pull-tab series in which operators award a progressive jackpot prize to the player who presents the winning pull-tab.

(2) The "progressive jackpot" means the starting jackpot prize, the accrued jackpot prize for that specific series, plus any accrued jackpot prize carried over from previous series.

(3) "Starting jackpot prize" means the base or minimum amount of the progressive jackpot for each series before the operator adds any money based on the jackpot accrual rate.

(4) "Accrued jackpot prize" means the amount of all additions to the progressive jackpot before the progressive jackpot is won or the operator removes the series from play.

(5) "Jackpot accrual rate" means the rate at which a progressive jackpot increases for each pull-tab sold. The rate may be a percentage of gross gambling receipts or a dollar value based on the price of a single pull-tab.

(6) "Instant winners" means all prizes available from a progressive jackpot pull-tab series, except for the progressive jackpot.

(7) "Bank system" means a network of pull-tab dispensers offering progressive jackpot pull-tab series connected by a computer. The computer determines the total gross gambling receipts all the dispensers on the network receive and calculates the amount of the progressive jackpot on the networked dispensers.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-155, filed 8/10/07, effective 1/1/08.]

WAC 230-14-160 Progressive jackpot dispensers with a bank system. (1) Operators may have more than one pull-tab dispenser for a series operating at one time.

(2) Operators may have more than one bank system operating at one time, but one bank system must not have more than ten pull-tab dispensers.

(3) In a bank system, progressive jackpot pull-tab dispensers must be:

(a) Located in close physical proximity on the business premises, so that players may observe all remaining pull-tabs in a series; and

(b) Linked to a computer system which records all sales and the accrual of the progressive jackpot.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-160, filed 8/10/07, effective 1/1/08.]

WAC 230-14-165 Additional operating requirements for progressive jackpot pull-tab series. Operators must conduct progressive jackpot pull-tab series in the same way as other pull-tab series and must follow these requirements:

(1) An owner or licensed commercial or charitable or nonprofit gambling manager must be on the premises at all times when progressive jackpot pull-tab series are operated; and

(2) Only owners and licensed individuals may have access to progressive jackpot pull-tab series and they must store the series in secured locations; and

(3) Licensees must have sufficient funds available to pay all prizes on redemption of winning tabs. Failure to have sufficient funds available is prima facie evidence of defrauding the public; and

(4) The current progressive jackpot total must be clearly displayed near the bank of machines at all times during the sale of progressive pull-tabs; and

(5) Operators must prominently display one flare near the bank of machines; and

(6) Operators must not use:

(a) Substitute flares; or

(b) Merchandise prizes; or

(c) Last sale prizes; and

(7) Operators must disclose the rules for playing out a series or carrying over accrued prizes.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-165, filed 8/10/07, effective 1/1/08.]

WAC 230-14-170 Prizes in progressive jackpot pull-tab series. Manufacturers and operators must offer prizes for progressive jackpot pull-tab series that follow these requirements:

(1) Instant winners must be at least forty percent of total gross gambling receipts available from the series; and

(2) The starting jackpot must, at least, equal the value of the highest instant winner; and

(3) Operators must set the minimum jackpot accrual rate to generate an accrued jackpot prize of at least sixty percent of the total gross gambling receipts available from the series when added to the starting jackpot prize and instant winners; and

(4) The manufacturer must determine the starting jackpot prize and corresponding jackpot accrual rate needed to meet the sixty percent payout requirement. Manufacturers must include this information in the package with each series; and

(5) The maximum contribution to a progressive jackpot for each individual progressive pull-tab series must be five thousand dollars. The contribution amount excludes portions carried over from previous series.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-170, filed 8/10/07, effective 1/1/08.]

(4/14/10)

WAC 230-14-175 Removing progressive jackpot pull-tab series from play. Operators must not remove a progressive jackpot pull-tab series from play before the progressive jackpot is won. However, operators may remove a series from play if they:

(1) Remove the series before the beginning or at the end of any business day; and

(2) Carry over the accrued jackpot prize from the series and any previously carried over accrued jackpot prize to a new series within twenty-four hours; and

(3) Add the accrued jackpot prize to the starting jackpot amount for the new series when they place it out for play. The amount of the jackpot must not be decreased.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-175, filed 8/10/07, effective 1/1/08.]

WAC 230-14-180 Paying out prizes and defacing tabs in progressive jackpot pull-tab series. Operators must pay out progressive jackpot pull-tab prizes in the same way required for all other pull-tabs and must follow these requirements:

(1) Operators must pay at least the starting jackpot portion of the progressive jackpot with a check. They must record the check number along with all the information required in WAC 230-14-065; and

(2) Operators must immediately deface all jackpot winning tabs when received instead of within twenty-four hours.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-180, filed 8/10/07, effective 1/1/08.]

WAC 230-14-185 Additional recordkeeping for progressive jackpot pull-tab series. In addition to other pull-tab recordkeeping requirements, operators must:

(1) Record progressive jackpot series on a separate monthly record in the format we require; and

(2) Retain progressive jackpot winning tabs, winner information, and the flares for one year from the date they removed the series from play.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-185, filed 8/10/07, effective 1/1/08.]

EVENT PULL-TAB SERIES

WAC 230-14-190 Defining "event pull-tab series" and "event round." Only charitable or nonprofit bingo operators may use event pull-tab series:

(1) "Event pull-tab series" means a pull-tab series that includes a predetermined number of pull-tabs which allow a player to advance to the event round.

(2) "Event round" means a game where the numbers drawn in a bingo game must match pull-tab numbers to determine winners. The winning numbers must be between numbers 1 through 75.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-190, filed 8/10/07, effective 1/1/08.]

WAC 230-14-195 Operating requirements for event pull-tabs. When using event pull-tab series, charitable or nonprofit bingo operators must:

(1) Offer and complete event pull-tabs within one bingo session; and

[Ch. 230-14 WAC—p. 7]

(2) Disclose when the event round will take place before putting an event pull-tab series into play; and

(3) Offer event pull-tabs for sale until immediately before the event round unless the series sells out; and

(4) Have a licensed manager present at all times an event pull-tab series is in play, including sales of tabs and selection of winners; and

(5) Allow floor workers to sell event pull-tabs (for example, from aprons). Only event pull-tabs may be sold in this way; and

(6) Maintain accounting records in the format we require to track the event pull-tabs issued to each floor worker; and

(7) Meet all the requirements for carry-over jackpots if the event pull-tab series offer a carry-over jackpot; and

(8) Not use substitute flares or bonus pull-tab series with event pull-tab series.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-195, filed 8/10/07, effective 1/1/08.]

BONUS PULL-TAB SERIES

WAC 230-14-200 Defining "bonus pull-tab series."

"Bonus pull-tab series" means pull-tab series that include a predetermined number of pull-tabs that allow players the opportunity to advance to a bonus section to determine the prize.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-200, filed 8/10/07, effective 1/1/08.]

WAC 230-14-205 Operating requirements for bonus pull-tab series. Operators of bonus pull-tab series must ensure that:

(1) In addition to all other information required for flares, each flare clearly states:

(a) The number of chances available to advance and win a larger prize; and

(b) The number of winning tabs at each prize level; and

(2) The series uses only guaranteed or minimum prizes in calculating the sixty percent payout required; and

(3) The series does not use:

(a) Substitute flares; or

(b) Merchandise prizes; or

(c) Last sale prizes.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-205, filed 8/10/07, effective 1/1/08.]

WAC 230-14-210 Flares for bonus and step-up prizes. Flares for punch boards or pull-tab series offering bonus or step-up prizes must clearly indicate how players may win bonus or step-up prizes, including the amount of the prizes. Bonus or step-up prizes must not be less than the prize for the initial winning punch or pull-tab.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-210, filed 8/10/07, effective 1/1/08.]

CARRY-OVER JACKPOT PULL-TAB SERIES

WAC 230-14-215 Defining "carry-over jackpot pull-tab series" and "contribution amount." (1) "Carry-over jackpot" means a prize pool of added contributions from

carry-over pull-tab series which pass (carry-over) to another carry-over pull-tab series if not won.

(2) "Contribution amount" means the amount from each series added to the carry-over jackpot.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-215, filed 8/10/07, effective 1/1/08.]

WAC 230-14-220 Prize limits for carry-over jackpot pull-tab series. Operators may use pull-tab series which include carry-over jackpots. Operators must use the following calculations for prizes and prize payouts for carry-over jackpots:

(1) Guaranteed prizes must be sixty percent or more of gross gambling receipts available from the pull-tab series.

"Guaranteed prizes" means all prizes available, excluding the contribution amount or carry-over jackpot; and

(2) The manufacturer determines the contribution amount and the method of play and discloses both on the flare; and

(3) The contribution amount for each series must not be more than five hundred dollars; and

(4) An accumulated carry-over jackpot must not be more than five thousand dollars; and

(5) If the carry-over jackpot is awarded, the sum of the advance-level prize and the carry-over jackpot prize combined must not be more than five thousand dollars; and

(6) If the operator carries over the jackpot to a new series, the total of the advance-level prize and the consolation prize must not be more than five hundred dollars.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-14-220, filed 10/22/07, effective 1/1/08; 07-17-058 (Order 614), § 230-14-220, filed 8/10/07, effective 1/1/08.]

WAC 230-14-225 Sufficient funds for carry-over jackpot pull-tab prizes. We consider it prima facie evidence of defrauding players if the licensee:

(1) Fails to have sufficient funds available to pay a carry-over jackpot; or

(2) Attempts to use carry-over jackpots for any purpose other than paying winners.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-225, filed 8/10/07, effective 1/1/08.]

WAC 230-14-230 Transferring a carry-over jackpot to another game. (1) If a licensee wants to remove a series from play and the carry-over jackpot has not been won, the operator must carry over the jackpot to a new series within one business day.

(2) Operators must maintain a separate record creating an audit trail for carry-over jackpots in the format we require.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-230, filed 8/10/07, effective 1/1/08.]

WAC 230-14-235 Replacing played out carry-over jackpot series. If no tabs remain to win the carry-over jackpot but tabs to win other prizes still remain, operators must remove the series from play and replace it with a new series within seven business days.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-235, filed 8/10/07, effective 1/1/08.]

WAC 230-14-240 Distributing carry-over pull-tab jackpots. If businesses stop conducting gambling activities, they must:

- (1) Transfer the carry-over jackpot to the new owners who bought the business and who have a gambling license. The new licensee must operate the carry-over jackpot game until they award the prize; or
- (2) Award the carry-over jackpot to a player by playing out the game before closing; or
- (3) Give the carry-over jackpot to the Washington state council on problem gambling; or
- (4) Give the carry-over jackpot to a charitable or non-profit organization we license.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-240, filed 8/10/07, effective 1/1/08.]

WAC 230-14-245 Retaining carry-over jackpot pull-tab series. Operators offering carry-over jackpots must keep all pull-tab series that were used for a specific carry-over jackpot together.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-245, filed 8/10/07, effective 1/1/08.]

WAC 230-14-250 Recording carry-over jackpots on a cash basis. (1) Operators must record carry-over jackpots on a cash basis. "Cash basis" means operators do not record carry-over jackpot contributions until the prize is awarded.

(2) However, punch board and pull-tab licensees who also hold a Class F or above bingo license may record carry-over jackpot contributions on their monthly records if they:

- (a) Record contribution amounts, up to the jackpot maximum, as prizes paid on the monthly records; and
- (b) When the jackpot is awarded, record only amounts not previously accrued as prizes paid; and
- (c) Play no more than five carry-over jackpot series at once; and
- (d) Maintain a proper audit trail and adequate security over the funds if the licensee does not deposit the contributions with the net receipts.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-250, filed 8/10/07, effective 1/1/08.]

CHARITABLE OR NONPROFIT ORGANIZATIONS OPERATING PUNCH BOARDS AND PULL-TABS

WAC 230-14-255 Net income and cash flow requirements when operating punch boards and pull-tabs. Charitable or nonprofit punch board and pull-tab licensees must:

- (1) When not licensed to operate bingo, ensure that they do not pay excessive expenses and that net income from punch boards and pull-tabs is more than zero when measured over the annual license period; or
- (2) When licensed to operate bingo, meet the cash flow requirements.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-255, filed 8/10/07, effective 1/1/08.]

(4/14/10)

RECORDKEEPING FOR PUNCH BOARDS AND PULL-TABS

WAC 230-14-260 Inventory control. (1) Punch board and pull-tab operators must control and account for each punch board and pull-tab series they obtain. Operators must:

- (a) Enter the I.D. stamp numbers for the series in all records; and
- (b) Attach the packing slip to the original invoice if the pull-tab series is packed in more than one container; and
- (c) Record each pull-tab dispenser they purchase.

(2) Distributors must record every purchase of punch boards or pull-tabs on an invoice. Operators must use this record to account for each series between the time they purchase it and the time they remove it from play. Invoices must include space for the operator to attach:

- (a) The I.D. stamp numbers for each board or series; and
- (b) The date they placed the punch board or pull-tab series out for play.

(3) When operators receive punch boards or pull-tab series, they must ensure that the manufacturer or distributor recorded all required data by comparing the Washington state identification stamp number attached to each punch board and pull-tab series to the number recorded on the purchase invoice.

(4) Operators may use a separate computerized inventory record as long as they:

- (a) Use an I.D. stamp or print a computer generated facsimile of the stamp number on the inventory record; and
- (b) Record all other required information.

[Statutory Authority: RCW 9.46.070. 08-03-053 (Order 622), § 230-14-260, filed 1/11/08, effective 2/11/08; 07-17-058 (Order 614), § 230-14-260, filed 8/10/07, effective 1/1/08.]

WAC 230-14-265 Retention requirements for punch boards and pull-tab series. (1) Punch board and pull-tab operators must keep all punch boards or pull-tab series removed from play, including, at least:

- (a) All prize flares; and
- (b) All unplayed tabs; and
- (c) All winning punches or tabs.

(2) Operators must make the items in subsection (1) of this section available on the licensed premises for us, local law enforcement, or local tax agencies to inspect.

(3) If stored off premises, operators must produce the game for inspection on demand.

(4) Operators must retain punch board or pull-tab series removed from play for:

(a) **Charitable or nonprofit operators** - Four months following the last day of the month in which the board or series was removed from play; and

(b) **Commercial operators** -

(i) Two months following the last day of the month in which they removed the board or series from play; and

(ii) Three months following the day they removed the board or series from play for winning punches or pull-tabs over twenty dollars. Operators must also retain the flare for these games; and

(c) **Carry-over jackpot series** - For four months after the last day of the month in which the carry-over jackpot was won; and

(d) **Progressive pull-tab series** - For one year. After the retention period, operators must destroy unsold progressive pull-tab series tabs in such a way that no one may find and use unopened winning tabs later; and

(e) **Cumulative prize pool pull-tab games** - for four months, following the last day of the month, in which the last seal is opened on the cumulative prize pull-tab game board.

[Statutory Authority: RCW 9.46.070. 09-17-077 (Order 657), § 230-14-265, filed 8/14/09, effective 1/1/10; 07-17-058 (Order 614), § 230-14-265, filed 8/10/07, effective 1/1/08.]

WAC 230-14-266 Location of unplayed punch boards and pull-tab series. (1) Punch board and pull-tab operators must retain unplayed punch board and pull-tab series:

- (a) On the licensed premises; or
 - (b) Off premises, if the operator provides them to us when requested.
- (2) Operators must make these items available on the licensed premises to those persons listed in RCW 9.46.130 and to local taxing authorities to inspect.

[Statutory Authority: RCW 9.46.070. 08-03-062 (Order 623), § 230-14-266, filed 1/14/08, effective 2/14/08.]

WAC 230-14-270 Additional retention requirements for some commercial stimulant licensees. (1) Punch board and pull-tab licensees who fail to comply with all record-keeping requirements or who misstate gross gambling receipts by more than one percent during any calendar quarter will receive a letter from us requiring them to comply with additional record retention limits.

(2) Licensees receiving the letter must retain all punch boards and pull-tab series for at least four months following the last day of the month during which they were removed from play. Specially authorized games like carry-over jackpots and progressive pull-tab series may require longer retention periods.

(3) After one year, licensees may petition us to remove the increased retention requirement. The petition must include documentation of the steps taken to correct record-keeping errors or misstatements.

(4) To compute gross gambling receipts to determine compliance with recording accuracy requirements, see WAC 230-14-255.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-270, filed 8/10/07, effective 1/1/08.]

WAC 230-14-275 Returning punch boards and pull-tab series to the distributor or manufacturer. (1) If punch board and pull-tab operators return a punch board or pull-tab series for any reason, they must write the date, the invoice or credit memo number, and "returned" on the original purchase invoice or inventory record.

(2) Operators must record each punch board or pull-tab series returned on their monthly record and keep a copy of the quality control report for the retention period required by WAC 230-14-240.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-275, filed 8/10/07, effective 1/1/08.]

WAC 230-14-280 Records review of gross gambling receipts. To meet the gross gambling receipts and license class requirements, punch boards and pull-tab licensees must adjust gross gambling receipts from the operation to comply with commission records review findings.

Licensees must perform the following calculations:

(1) For unrecorded punch boards and pull-tab series

$$\begin{array}{r}
 - \\
 \text{Unadjusted gross gambling receipts} \\
 + \\
 \text{Unrecorded punch boards or pull-tab series} \\
 \text{(total number of chances multiplied by price)} \\
 \hline
 \text{Adjusted gross gambling receipts*}
 \end{array}$$

To account for any unrecorded punch boards and pull-tab series, licensees add the unrecorded punch board or pull-tab series to the unadjusted gross gambling receipts. To get the total of unrecorded punch boards or pull-tab series, licensees multiply the total number of chances available by the price of a single chance to determine the maximum amount that could be generated from the punch board or pull-tab series.

*Licensees must apply this figure to the records for the month in which they purchased the punch board or pull-tab series.

(2) For recording errors -

$$\begin{array}{r}
 +/ - \\
 \text{Unadjusted gross gambling receipts} \\
 \text{Adjustment factor} \\
 \text{(amount of sample group divided by recorded} \\
 \text{amount for the licensee)} \\
 \hline
 \text{Adjusted gross gambling receipts for the quarter and} \\
 \text{the three quarters preceding**}
 \end{array}$$

To adjust gross gambling receipts for the results of our records review, licensees divide the amount we determined for a randomly selected sample of punch boards or pull-tab series by the recorded amount for them.

**Licensees apply this figure to the total recorded gross gambling receipts for the calendar quarter from which we took the sample and to the three quarters immediately before.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-280, filed 8/10/07, effective 1/1/08.]

WAC 230-14-284 Activity reports for punch board and pull-tab licensees. Punch boards and pull-tab licensees must submit an activity report to the commission. Licensees must complete the report in the format we require and must:

- (1) Cover the periods:
 - (a) January 1 through June 30; and
 - (b) July 1 through December 31; and
- (2) Be received at our administrative office or post-marked no later than thirty days following the end of the reporting period; and

(3) Be signed by the licensee's highest ranking executive officer or a designee. If someone other than the punch board and pull-tab licensee or its employee prepares the report, then it must provide the preparer's name and business telephone number; and

(4) Be filed even if they do not renew their license. They must file a report for the period between the previous report filed and the expiration date of the license; and

(5) Unless they are also licensed for Class D or above bingo, charitable and nonprofit licensees must submit a semi-annual activity report for punch boards and pull-tabs; and

(6) Class D or above bingo licensees with a punch board and pull-tab license must report punch board and pull-tab activity, on the combined quarterly report provided by the commission as explained in WAC 230-10-331.

[Statutory Authority: RCW 9.46.070. 07-21-116 (Order 617), § 230-14-284, filed 10/22/07, effective 1/1/08.]

WAC 230-14-285 Monthly income summary. (1) Punch board and pull-tab licensees must prepare a detailed monthly income summary for punch board and pull-tab series removed from play in the format we require either manually or electronically.

(2) Licensees may store punch board and pull-tab monthly records electronically if they:

(a) Retain all original input control documents supporting the electronic record; and

(b) Generate a monthly paper income summary that organizes the electronic record into the format we require.

(c) Ensure that the income summary:

(i) Does not hinder our review of records; and

(ii) Is available for review no later than thirty days following the end of the month; and

(iii) Is available within three days of a request by us, local law enforcement, or local tax agencies.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-285, filed 8/10/07, effective 1/1/08.]

WAC 230-14-290 Calculating cash over and cash short on the punch board and pull-tab monthly income summary. (1) When preparing their monthly income summary, operators must determine cash over or cash short by:

(a) Subtracting actual cash from net gambling receipts for punch boards and pull-tabs which award cash prizes; and

(b) Subtracting actual cash from gross gambling receipts for punch boards and pull-tabs which award merchandise prizes.

(2) When operators sell more than one series of pull-tabs from a single dispenser and the dispenser has meters to record the number of tabs dispensed from each series, operators may compute the actual cash using the meter readings. If operators use this method, they must:

(a) Play out all series in each dispenser at least once each calendar quarter; and

(b) Reconcile the total cash removed from the dispenser to the total tabs sold from that dispenser to calculate the combined cash over or cash short for all series played from each dispenser during the period. "Reconcile" means the operator must compare the two balances, resolve any differences, and document the comparison and the differences in writing.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-290, filed 8/10/07, effective 1/1/08.]

WAC 230-14-295 Electronic facsimiles of I.D. stamps. Punch board and pull-tab licensees may use a printer interfaced with a computer to create an electronic facsimile of the I.D. stamps, as long as licensees:

(1) Input the I.D. stamp number into the computer; and

(4/14/10)

(2) Print records on white paper. Facsimiles of the I.D. stamp must be at least one-quarter inch in height with a "quiet zone" of at least one-quarter inch on each side of the bar code; and

(3) Code "interleaved two of five" (USS-ITF-2/5) bar code facsimiles. This is a high-density numeric-only barcode type used in the Automatic Identification and Data Capture industry. It is also called American National Standards Institute/Association for Automatic Identification and Mobility (ANSI/AIM) ITF 2/5. The bar code must have a readability rate of at least ninety-nine percent with a maximum of three passes with our bar code reading equipment. An example is below:



(4) Licensees are responsible for the accuracy of print-outs and that bar codes are electronically readable.

[Statutory Authority: RCW 9.46.070. 07-17-058 (Order 614), § 230-14-295, filed 8/10/07, effective 1/1/08.]

WAC 230-14-320 Defining a cumulative prize pool pull-tab game. "Cumulative prize pool pull-tab game" means a pull-tab game that contains two or more series. Each series in the game has a unique serial number.

[Statutory Authority: RCW 9.46.070. 09-17-077 (Order 657), § 230-14-320, filed 8/14/09, effective 1/1/10.]

WAC 230-14-325 Defining a cumulative prize pool pull-tab game board. "Cumulative prize pool pull-tab game board" means the flare for a cumulative prize pool pull-tab game.

[Statutory Authority: RCW 9.46.070. 09-17-077 (Order 657), § 230-14-325, filed 8/14/09, effective 1/1/10.]

WAC 230-14-330 Defining a cumulative prize pool pull-tab series. "Cumulative prize pool pull-tab series" means individually packaged groups of pull-tabs that make up a cumulative prize pool pull-tab game.

[Statutory Authority: RCW 9.46.070. 09-17-077 (Order 657), § 230-14-330, filed 8/14/09, effective 1/1/10.]

WAC 230-14-335 Operating requirements for cumulative prize pool pull-tab games. (1) Operators must conduct cumulative prize pool pull-tab games in the same way as other pull-tab series and must follow these additional requirements:

(a) Cumulative prize pool pull-tab game boards must be displayed until the game is permanently pulled from play.

(b) Once a seal card winner from each series is revealed, the seal card winner will pick one unopened seal from the cumulative prize pool pull-tab game board.

(c) If a player buys out a series, their name will be placed on all remaining empty lines on the list displayed on the series flare.

(d) Must not use substitute flares.

(2) Operators may have more than one series in play at the same time, but may not commingle pull-tab series.

(3) Operators must prominently post house rules of how the winner of a series will be chosen if the operator removes a series from play before the list on the series flare is completed. For example, once the seal is open and a player's name is not on that line, house rules could indicate that the name above the winning line would be declared the winner of the series.

[Statutory Authority: RCW 9.46.070. 09-17-077 (Order 657), § 230-14-335, filed 8/14/09, effective 1/1/10.]