

SENATE BILL REPORT

SB 5034

As Passed Senate, March 19, 1997

Title: An act relating to gambling.

Brief Description: Changing the definition of "bona fide charitable or nonprofit organization" for gambling statutes.

Sponsors: Senator Roach.

Brief History:

Committee Activity: Commerce & Labor: 1/30/97, 2/11/97 [DP].
Passed Senate, 3/19/97, 46-3.

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Schow, Chair; Horn, Vice Chair; Anderson, Franklin, Fraser, Heavey and Newhouse.

Staff: Aurora Almeda (786-7488)

Background: A bona fide charitable or nonprofit organization— must meet certain requirements in order to operate authorized gambling activities. These include: an organization operating primarily for the purposes other than gambling activities, such as an agricultural fair, benevolent, or educational purpose; or a corporation whose principal purposes are to furnish volunteer aid to members of the armed forces of the United States and also carry on a system of national and international relief. Such an organization must have been organized and continuously operating for at least 12 months prior to making an application for a gambling license. The organization must demonstrate to the commission that it has made significant progress toward the accomplishment of the organization's purpose during the 12-month period preceding the date of application for a license or license renewal, and the organization must have not less than 15 bona fide active members who determine the policies of the organization in order to receive a gambling license.

Summary of Bill: The requirement of 15 bona fide active board members is changed to nine.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: Nonprofit organizations have difficulty meeting the 15-member requirement because many are small organizations with limited resources. Reducing the board member

requirement from 15 to nine would accommodate nonprofit organizations who are in need of more effective fund raising options.

Testimony Against: None.

Testified: Joe Waldron, Sportsman Coalition (pro).

House Amendment(s): The number of required board members is reduced from nine to seven.