

SENATE BILL REPORT

SHB 2358

As Reported By Senate Committee On:
Commerce, Trade, Housing & Financial Institutions, February 22, 2000

Title: An act relating to fund raising events.

Brief Description: Allowing charitable organizations to hire vendors to conduct fund raising events.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representatives Wood, McMorris, Clements, Conway and Radcliff).

Brief History:

Committee Activity: Commerce, Trade, Housing & Financial Institutions: 2/22/2000 [DP].

SENATE COMMITTEE ON COMMERCE, TRADE, HOUSING & FINANCIAL INSTITUTIONS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Benton, Gardner, Hale, Heavey and Winsley.

Staff: Catherine Mele (786-7470)

Background: Nonprofits and charities may conduct fund raising events that include gambling activities such as bingo, casino-style games, amusement games, and raffles. Participants play these gambling activities using money. Current law limits the number of events an organization may hold each year to an extended event once a year lasting up to three days, or two one day events twice a year.

The total annual profit from fund raising events may not exceed \$10,000 for any individual organization. Organizations may join together to sponsor an event. The total profit from a joint event may not exceed \$10,000. In calculating the \$10,000 limit, an organization reduces the amount of gross wagers by the amount paid out as winnings and the cost of prizes given as winnings.

These events may only be conducted as prescribed by the gambling laws. For example, only members of the organization may participate in the management and operation of the event activities. All income, less prizes and expenses, must be devoted to the lawful purposes of the organization, and law enforcement must be notified of the time and place of the event.

Summary of Bill: A different method is established for conducting fund raising events by nonprofits or charitable organizations.

Organizations may hire a person or vendor who is licensed by the Gambling Commission to conduct a fund raising event on behalf of the organization. The person or vendor may not

provide the facility for the event, but may provide equipment and the personnel to operate the equipment. The person or vendor must charge a fixed fee determined prior to the event and may not share in the proceeds of the event. All wagers at the event are made with scrip or chips that participants may redeem for merchandise prizes at the end of the event. The value of these prizes may not exceed 10 percent of the gross revenue from the event. Members and guests of the organization are the only permitted participants at the fund raising event.

Appropriation: None.

Fiscal Note: Note requested.

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

Testimony For: This bill adds another tool for charities and nonprofits to use in order to raise fund raising dollars. Taking the bill from last year, interested parties have worked to improve it during the interim. Organizations can use equipment and operators licensed or approved by the Gambling Commission rather than relying on volunteers to conduct the gambling activity at an event. This helps smaller organizations.

Testimony Against: This is one more expansion of gambling activities in Washington. We do not want this Legislature to expand gambling one more time. We have strong concerns and urge you to vote no.

Testified: Davor Gjurasic, Westcoast Entertainment, Eventmakers, Wild Bills, Inc. (pro); Bob Higley, WERG (con); Richard Forcier, Christian Coalition (con).