

Chapter 230-11 WAC

RAFFLES

WAC

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CONDUCTING A RAFFLE

WAC 230-11-001 Defining "licensees," "licensee," "organizations," and "organization." (1) In this chapter, "licensee" and "licensees" means those charitable or non-profit organizations which we require to be licensed to conduct raffles.

(2) "Organization" and "organizations" means all bona fide charitable or nonprofit organizations conducting unlicensed raffles authorized by chapter 9.46 RCW, including those authorized by RCW 9.46.0209, 9.46.0315 and 9.46-0321.

(9/16/13)

[Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-11-001, filed 10/22/07, effective 1/1/08; WSR 06-20-040 (Order 602), § 230-11-001, filed 9/26/06, effective 1/1/08.]

WAC 230-11-002 The definition of raffle as used in this chapter. "Raffle" as used in this chapter means raffle as defined in RCW 9.46.0277 and enhanced raffle as defined in section 1, chapter 310, Laws of 2013.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-11-002, filed 9/16/13, effective 10/17/13.]

WAC 230-11-005 Display the raffle license. Licensees conducting a raffle must prominently display the raffle license or a copy of the license at the site and time of the drawing.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-005, filed 9/26/06, effective 1/1/08.]

WAC 230-11-006 Requiring raffle ticket purchase for membership prohibited. Organizations must not require a person to buy a raffle ticket or pay to participate in any gambling activities in order to become a member of the organization.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-006, filed 9/26/06, effective 1/1/08.]

WAC 230-11-010 Number tickets consecutively. All raffle tickets must:

- (1) Be consecutively numbered; or
- (2) Be printed with numbers which do not repeat within the population of all tickets sold for a particular raffle. All aspects of the raffle must take place during the same event at the same location and you must maintain a raffle ticket distribution log in the format we require; or
- (3) Be printed with letters or symbols which do not repeat within the population of all tickets sold for a particular raffle.

[Statutory Authority: RCW 9.46.070, 9.46.0277. WSR 13-03-062 (Order 682), § 230-11-010, filed 1/11/13, effective 2/11/13. Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-010, filed 9/26/06, effective 1/1/08.]

WAC 230-11-012 Licensees may conduct a joint raffle. Except for enhanced raffles, raffle licensees may jointly conduct a raffle if:

(1) Licensees maintain in writing the method by which the income, expenditures for prizes, and all other expenses, received and expended in connection with the raffle will be divided among them; and

(2) One licensee sets up a separate bank account into which all of the proceeds from the raffle are deposited and from which all of the expenses in connection with the raffle, including but not limited to, all payments for prizes, are made; and

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(3) Participating licensees keep records which clearly disclose the amount of money received or each licensee expends in connection with the raffle and the purpose(s) for which the money was spent; and

(4) Licensees count all gross receipts that each participating licensee received toward their gross receipts limit.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-11-012, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-012, filed 9/26/06, effective 1/1/08.]

SELLING TICKETS

WAC 230-11-014 Maximum raffle ticket price. (1)

Raffle tickets must not be sold for more than one hundred dollars each; and

(2) Enhanced raffle tickets must not be sold for more than two hundred fifty dollars each.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-11-014, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070. WSR 09-19-052 (Order 663), § 230-11-014, filed 9/11/09, effective 10/12/09; WSR 06-20-040 (Order 602), § 230-11-014, filed 9/26/06, effective 1/1/08.]

WAC 230-11-015 Provide rules to participants. At

the time of purchase, organizations must inform all participants by either printing on the participant's portion of the ticket or otherwise providing to each participant, in writing, the following:

- (1) All rules by which prizes may be won in the raffle; and
- and
- (2) The cost of each ticket; and
- (3) All prizes available, whether cash or merchandise; and
- and
- (4) Date, time, and location of drawing; and
- (5) Whether a participant is required to be present at the raffle drawing in order to be eligible to win a prize; and
- (6) Name of the organization conducting the raffle.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-015, filed 9/26/06, effective 1/1/08.]

WAC 230-11-020 Record information on ticket stub.

If an organization sells raffle tickets to the general public or conducts raffles that do not require the winner to be present at the drawing, the organization must include a stub or other detachable section bearing a number, letter, or symbol matching the number, letter, or symbol on the ticket or object representing the participant's ticket. The organization's portion must include the participant's name, complete address, telephone number, and other information necessary to notify the winner. Licensees operating an enhanced raffle may provide a receipt that includes ticket confirmation numbers in lieu of a ticket stub.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-11-020, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-11-020, filed 10/22/07, effective 1/1/08; WSR 06-20-040 (Order 602), § 230-11-020, filed 9/26/06, effective 1/1/08.]

WAC 230-11-025 Bundling and selling tickets at a

discount. (1) Licensees may put tickets together in a bundle and sell them at a discount if they:

(a) Create the discount plan before selling any raffle tickets; and

(b) Do not change the discount plan during the raffle; and

(c) Make single nondiscounted tickets available to all participants; and

(d) Use only one discount plan for each raffle; and

(2) Booklets of bundled discounted tickets must contain the number of tickets named in the discount plan; and

(3) Licensees must not remove tickets from a booklet to sell them individually; and

(4) Each booklet of bundled tickets must have the following information printed on the cover:

(a) A description of the discount plan; and

(b) The number of tickets in the booklet; and

(c) The total cost of the booklet; and

(d) A consecutive number; and

(5) Licensees must establish controls and accounting procedures necessary to determine gross gambling receipts from ticket sales.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-025, filed 9/26/06, effective 1/1/08.]

WAC 230-11-030 Restrictions on ticket sales. (1)

Only the following people, who are at least eighteen years old, may sell raffle tickets:

(a) Members of the organization, except as explained in subsection (2) of this section; and

(b) Volunteers under the supervision of a member; and

(c) Licensed enhanced raffle call center representatives.

(2) Organizations may allow members under the age of eighteen to sell tickets when the organization has:

(a) Development of youth as a primary purpose; and

(b) At least three members or advisors who are at least eighteen years old and who supervise the operation of the raffle; and

(c) An adult member or advisor designated as the manager of the raffle.

(3) Organizations must sell tickets for a particular raffle for the same price unless offering an authorized discount plan; and

(4) Organizations must not:

(a) Sell raffle tickets via the internet; or

(b) Require anyone to purchase more than one raffle ticket; or

(c) Give away raffle tickets; or

(d) Give an opportunity to participate in a raffle drawing to a person who has not purchased a ticket.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-11-030, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070. WSR 09-09-065 (Order 643), § 230-11-030, filed 4/13/09, effective 7/1/09; WSR 06-20-040 (Order 602), § 230-11-030, filed 9/26/06, effective 1/1/08.]

WAC 230-11-035 Incentives for selling tickets. (1)

Organizations must not pay members or volunteers for selling tickets or managing or operating a raffle, unless the person is a full-time or part-time employee of the organization with duties other than selling tickets or managing or operating raffles.

(2) Licensees may provide members or volunteers with noncash incentives for selling tickets if the licensee:

- (a) Bases the incentives on the number of tickets sold; and
- (b) Gives incentives that do not exceed five percent of the gross gambling receipts of the raffle; and
- (c) Maintains a record of the name, address, and telephone number of all persons receiving incentives.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-035, filed 9/26/06, effective 1/1/08.]

DRAWING TICKETS

WAC 230-11-040 Place ticket stubs in receptacle for drawing. Each person who sells a raffle ticket must give the organization all tickets, ticket stubs or other detachable sections of all tickets sold. The organization must place each ticket, ticket stub or other detachable section of each ticket sold into a receptacle from which the organization will draw the winning tickets unless they use one of the authorized alternative drawing formats.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-11-040, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-040, filed 9/26/06, effective 1/1/08.]

WAC 230-11-045 Draw winning tickets randomly. A "drawing" means a random selection process for determining winners in a raffle. To be random, each ticket in the drawing must have an equal and fair chance of being drawn as a winner. Organizations must design the ticket drawing receptacle so that each ticket has an equal opportunity to be drawn.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-045, filed 9/26/06, effective 1/1/08.]

WAC 230-11-050 Using alternative drawing formats. Except for enhanced raffles, licensees may use alternative drawing formats that randomly determine winners if licensees:

- (1) Fully disclose to each player the random selection process used in the alternative drawing format before selling tickets; and
- (2) Maintain a copy of the disclosure with the permanent raffle records; and
- (3) Use controls and accounting procedures that:
 - (a) Provide the ability to audit gross gambling receipts from ticket sales; and
 - (b) Have sufficient controls to prevent manipulation of the random selection process; and
 - (c) Document the random selection process.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-11-050, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-050, filed 9/26/06, effective 1/1/08.]

WAC 230-11-055 Authorized alternative drawing formats. Except for enhanced raffles, licensees may use the following types of alternative drawing formats or similar random selection processes:

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Mock races.

(1) The licensee sells participants consecutively numbered tickets that identify a specific corresponding numbered mock animal(s), ball(s), or other similar object(s) that can use natural elements to move the objects (water, gravity, wind) in a race. All objects must be identical in weight, size, and shape, to have an equal opportunity to win. The licensee must release all objects simultaneously at a start line. The first numbered object to cross the finish line wins.

Poker runs.

(2) The licensee sells participants consecutively numbered tickets or poker tally sheets to participants. Participants travel a predetermined course with predetermined drawing stations (typically five drawing stations). At each drawing station, participants draw one playing card for each ticket purchased. Station attendants must verify the card drawn and record the card value on the poker ticket tally sheet. After all participants have completed the course, the participant with the best recorded poker hand wins.

Ball drops.

(3) The licensee sells participants consecutively numbered tickets that identify a specific corresponding numbered ball. All balls must be equal in size, weight, and shape, to have an equal opportunity to win. The licensee suspends all purchased numbered balls in the air and simultaneously releases them over a target zone. The ball, closest or first, to hit the predetermined target wins.

Animal plops.

(4) The licensee sells participants consecutively numbered tickets that identify a specific corresponding square on a numbered grid. The licensee releases the animal into the grid area until the animal has completed its plop. The numbered square containing the plop wins.

Multiple stage drawings.

(5) The licensee sells participants consecutively numbered tickets. The licensee uses multiple drawing phases to eliminate participants until the licensee declares the remaining ticket holder(s) the winner(s). The licensee may use second element of chance plans as long as the plans meet the criteria set out in WAC 230-11-060.

Bucket raffles.

(6) The licensee sells participants consecutively numbered tickets. Participants place their tickets into any number of separate buckets or other receptacles for separate prizes. We consider the multiple drawings one single raffle. If licensees use different tickets for each receptacle, we consider each drawing an individual raffle.

Calendar raffles.

(7) The licensee sells participants consecutively numbered calendars with removable stubs. The licensee places all sold calendar stubs into the drawing receptacle. On predetermined dates identified on the calendar, the licensee conducts drawings. The licensee places all winning stubs back into the drawing receptacle for future drawings.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-11-055, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-055, filed 9/26/06, effective 1/1/08.]

WAC 230-11-060 Using a second element of chance in alternative drawing format raffles. Licensees may use second elements of chance in alternative drawing format raffles to:

- (1) Determine the final prize winner. For example: Ten finalists are drawn and each finalist chooses a key. The finalist with the key that starts the vehicle wins; or
- (2) Determine which prize is awarded among a group of prizes. For example: Each winner selects one of three keys and each wins the contents of the safe which the key unlocks; or
- (3) Increase the prize award. For example: The winning ticket matches a predetermined sequence of numbers and wins an additional prize.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-060, filed 9/26/06, effective 1/1/08.]

PRIZES

WAC 230-11-065 Raffle prizes. (1) Organizations must own the prizes offered to winners before the date of the drawing. However, if the winner has an option to receive a cash prize instead of the merchandise, the organization may enter into a contract to purchase the merchandise prize after the winner chooses his or her option. The organization must have the funds to make the purchase on account before the date of the drawing.

(2) At the time and date of any raffle drawing, the organization must have on deposit an unencumbered amount of money that is equal to or greater than all cash prizes being offered in the raffle. The organization must have these funds deposited in the gambling receipts account, if required, or in a recognized Washington state depository authorized to receive funds. The organization must not reduce the balance of funds available from this account below the required amount before awarding the prize(s).

(3) Raffle prizes must:

- (a) Be available at the time and place of the drawing; and
- (b) If cash, be United States currency or an equivalent amount of negotiable instruments; and
- (c) For licensees, not exceed forty thousand dollars per prize or three hundred thousand dollars in total raffle prizes in a license year, except as authorized in WAC 230-11-067.

(4) For enhanced raffles, a purchase contract is not necessary for smaller noncash prizes, but the bona fide charitable or nonprofit organization must be able to demonstrate that such a prize is available and sufficient funds are held in reserve in the event that the winner chooses a noncash prize.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-11-065, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070 and 9.46.0277. WSR 12-05-067 (Order 677), § 230-11-065, filed 2/15/12, effective 3/17/12. Statutory Authority: RCW 9.46.070. WSR 10-11-086 (Order 668), § 230-11-065, filed 5/17/10, effective 7/1/10; WSR 06-20-040 (Order 602), § 230-11-065, filed 9/26/06, effective 1/1/08.]

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WAC 230-11-067 Requesting commission approval prior to offering raffle prizes exceeding forty thousand dollars per prize or three hundred thousand dollars in a license year. (1) The commissioners may vote to approve a licensee to exceed raffle prize limits if a licensee shows good cause in writing.

(2) Prior to offering raffle prizes that exceed forty thousand dollars per prize, the licensee must submit a raffle plan to us that includes at least the following information:

(a) The organization's goals for conducting the raffle; and

(b) A brief overview of the licensee's mission and vision including the type of programs supported by the licensee and clients served; and

(c) Specific details of the raffle rules including:

(i) Date of the drawing; and

(ii) Cost of raffle tickets; and

(iii) Prizes available; and

(iv) Security of prizes; and

(v) Plans for selling raffle tickets; and

(vi) Description of how the licensee protects the integrity of the raffle; and

(d) An explanation of how the proceeds from the raffle will be used; and

(e) A plan to protect the licensee in the event of low ticket sales and other risks; and

(f) An explanation of how the licensee will purchase the prize(s) for the raffle; and

(g) A projected budget including:

(i) Estimated gross gambling receipts, expenses, and net income for the raffle; and

(ii) Minimum number of projected ticket sales to break even; and

(iii) Corresponding sales and prize levels with projected revenues and expenses for each level; and

(iv) Minimum and maximum prizes available; and

(h) Any other information that we request or any information the licensee wishes to submit.

(3) Prior to offering raffle prizes that exceed three hundred thousand dollars in a license year, the licensee must submit a raffle plan that includes:

(a) The organization's goals for conducting raffles; and

(b) A brief overview of the licensee's mission and vision including the type of programs supported by the licensee and clients served; and

(c) Plans for selling raffle tickets; and

(d) Brief overview of prizes awarded; and

(e) Estimated gross gambling receipts, expenses, and net income for the raffles; and

(f) Any other information that we request or any information the licensee wishes to submit.

[Statutory Authority: RCW 9.46.070 and 9.46.0277. WSR 12-05-067 (Order 677), § 230-11-067, filed 2/15/12, effective 3/17/12. Statutory Authority: RCW 9.46.070. WSR 10-11-086 (Order 668), § 230-11-067, filed 5/17/10, effective 7/1/10.]

CONDUCTING A MEMBERS-ONLY RAFFLE

WAC 230-11-070 Defining "members-only" raffles. A "members-only raffle" means a raffle where the organization sells tickets only to full and regular members and a lim-

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ited number of guests and does not include enhanced raffles. All aspects of the raffle must take place during the same event at the same location. Winners must be determined from among those members and guests that have purchased tickets.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-11-070, filed 9/16/13, effective 10/17/13. Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-070, filed 9/26/06, effective 1/1/08.]

WAC 230-11-075 Limit number of guests for members-only raffles. The total number of guests participating in a raffle must not exceed twenty-five percent of the total attendance of the meeting. The organization must maintain records to show compliance with this requirement.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-075, filed 9/26/06, effective 1/1/08.]

WAC 230-11-080 Post rules of play for members-only raffles. Organizations must post a sign at each point where they sell tickets to provide participants with all rules of play or print the required disclosures on the raffle ticket.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-080, filed 9/26/06, effective 1/1/08.]

WAC 230-11-085 Modified and discounted pricing plans for tickets for members-only raffles. (1) Licensees may use modified ticket pricing plans at members-only raffles when gross revenues do not exceed five thousand five dollars. One type of modified pricing plan is a penny raffle. A penny raffle is a raffle where licensees sell five hundred consecutively numbered tickets. Participants randomly choose tickets and pay the consecutive number of the ticket multiplied by a predetermined cost, for instance, one penny.

(2) In modified pricing plans, licensees may sell tickets to enter a raffle for different values, not to exceed ten dollars for a single ticket, if the licensee:

(a) Discloses to the participants the pricing plan before selling them a ticket to participate. The licensee must disclose to the participant the total number of tickets in the population available and the number of tickets at each price level; and

(b) Allows participants to randomly select their ticket from the population of remaining tickets and pay the amount printed on the ticket they select; and

(c) Establishes records for an adequate audit trail to determine gross gambling receipts; and

(d) Holds no more than two such drawings during a meeting or event; and

(e) Sells multiple tickets to enter one or more drawings as a package and the total price of the package must not exceed twenty-five dollars.

[Statutory Authority: RCW 9.46.070. WSR 07-21-116 (Order 617), § 230-11-085, filed 10/22/07, effective 1/1/08; WSR 06-20-040 (Order 602), § 230-11-085, filed 9/26/06, effective 1/1/08.]

WAC 230-11-086 Discounted pricing plans for tickets to members-only raffles. In discounted pricing plans, licensees may sell tickets for a discounted price based on the number of tickets a player purchases if:

(1) The amount of the discount is set before any raffle tickets are sold; and

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(2) Participants are allowed to purchase a single ticket; and

(3) There is only one discount plan for each raffle; and

(4) The cost of a single ticket, without a discount, does not exceed ten dollars; and

(5) The total cost of a discount package does not exceed twenty-five dollars; and

(6) The cost of a single ticket is printed on each ticket (for example, one dollar each); and

(7) The discounted tickets are identified by a unique ticket audit numbering system; and

(8) The licensee establishes an audit system that includes internal controls and procedures to determine gross gambling receipts from the sale of tickets using a discounted pricing plan.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-086, filed 9/26/06, effective 1/1/08.]

WAC 230-11-087 Other pricing plans for members-only raffles. (1) Licensees may sell multiple tickets to enter one or more drawings as a package if the total price of the package does not exceed twenty-five dollars.

(2) Licensees may include tickets to enter a raffle as a part of a package that includes dues, entertainment, or other fund-raising activities if:

(a) The package discloses the value of each component of the package to the purchaser; and

(b) The value of each individual raffle ticket does not exceed twenty-five dollars.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-087, filed 9/26/06, effective 1/1/08.]

WAC 230-11-090 Authorized alternative drawing formats for members-only raffles. Licensees may use alternative drawing formats set forth in WAC 230-11-055 for members-only raffles as long as the licensee meets all requirements set out in that rule. Licensees also may use the following alternative drawing formats or similar random selection processes for members-only raffles:

Mock animal races.

(1) The licensee sells participants consecutively numbered tickets to wager on a specific mock animal in a field of mock animal racers, typically five to ten racers. The mock animals race in individual lanes divided into equal spaces or squares; for example, bingo boards are sometimes used as race lanes. Animals move forward based on the numbers rolled on dice or balls drawn from a set of bingo balls. The first mock animal to cross the finish line is the winner. All winning ticket holders split the prize pool or the licensee may hold a drawing of winning tickets to determine a single winner.

Video races.

(2) The licensee sells participants consecutively numbered tickets/race forms to wager on the outcome of an unknown videotaped race, typically horse races. The previously taped races must be obtained from an outside source and participants must have no knowledge of the specific race outcome before conducting the video race drawing. Participants wager on the specific racers, identified by numbers, or

a specific race lane. All participants holding a winning race number ticket or winning lane number ticket are the winners. All winning ticket holders split the prize pool or the licensee may hold a drawing of winning tickets to determine a single winner.

Paddle wheel raffles.

(3) The licensee sells participants numbered paddles or numbered tickets that correspond to numbered spaces on a balanced, spinning wheel. The licensee spins the wheel at least one full revolution. The ticket that matches the number that the wheel stops on is the winning ticket.

Card deck raffle.

(4) The licensee sells participants a single playing card or similar object. The card is then torn or cut in half and one half is placed in the drawing receptacle. The participant holds the other half until the drawing takes place. The holder of the matching half to that drawn is the winner.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-090, filed 9/26/06, effective 1/1/08.]

RECORDKEEPING FOR RAFFLES

WAC 230-11-095 Recordkeeping requirements for Class A through D licensees and unlicensed raffles. Class A through D licensed raffles and unlicensed raffles under the authority of RCW 9.46.0315 or 9.46.0321 must keep a record by month of the following:

- (1) Gross receipts; and
- (2) Prizes paid; and
- (3) Net income; and
- (4) Documentation of expenses; and
- (5) Documentation of how the proceeds were used.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-095, filed 9/26/06, effective 1/1/08.]

WAC 230-11-100 Recordkeeping requirements for Class E and F licensees and raffles using alternative drawing formats. Licensees conducting Class E or Class F raffles or conducting raffles using alternative drawing formats must prepare a detailed record for each raffle they conduct. Licensees must:

- (1) Record all data required in the standard format we provide; and
- (2) Maintain the following:
 - (a) Validated deposit receipts for each deposit of raffle proceeds; and
 - (b) All winning tickets; and
 - (c) Name, address, and telephone number of all winners of a prize with a fair market value of more than fifty dollars; and
 - (d) All ticket stubs for raffles that participants are not required to be present at the drawing; and
 - (e) All unsold tickets for individual raffles for which gross gambling receipts exceed five thousand dollars; and
 - (f) Invoices and other documentation recording the purchase or receipt of prizes; and
 - (g) Invoices and other documentation recording the purchase of tickets and other expenses of the raffle; and

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(3) Complete all records no later than thirty days following the drawing.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-100, filed 9/26/06, effective 1/1/08.]

WAC 230-11-102 Recordkeeping requirements for enhanced raffles. Licensees conducting enhanced raffles must prepare a detailed record for each raffle they conduct. Licensees must:

- (1) Prepare detailed records in the format we require; and
- (2) Maintain the following:
 - (a) Validated deposit receipts for each deposit of raffle proceeds; and
 - (b) All winning tickets; and
 - (c) Name, address, and telephone number of all winners of a prize with a fair market value of more than fifty dollars; and
 - (d) All enhanced raffle tickets placed in the receptacle; and
 - (e) All unsold tickets; and
 - (f) Invoices and other documentation recording the purchase or receipt of prizes; and
 - (g) Invoices and other documentation recording the purchase of tickets and other expenses of the raffle; and
- (3) Complete all records no later than thirty days following the drawing.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-11-102, filed 9/16/13, effective 10/17/13.]

WAC 230-11-103 Independent audit required for enhanced raffles. (1) Charitable or nonprofit licensees conducting enhanced raffles must have an independent audit conducted on each enhanced raffle and the associated smaller raffles.

(2) Licensees must hire an independent, certified public accountant or firm licensed by the Washington state board of accountancy to conduct the audit.

(3) The licensee must submit the auditor's report no later than sixty days following the date of the enhanced raffle grand prize drawing.

(4) We may grant an organization additional time to submit the information required if a written request is received before the due date. The president of the organization must sign any request for additional time and include a statement explaining the hardship causing the delay, and the expected date the required report(s) will be submitted.

(5) The independent auditor's report must include:

- (a) For the enhanced raffle grand prize drawing and each associated smaller raffles:
 - (i) Date of the drawing;
 - (ii) Location of the drawing;
 - (iii) Gross receipts; and
 - (iv) Prizes awarded;
- (b) List of all expenses used to calculate net proceeds;
- (c) Itemized list of all expenses and associated amounts for conducting the enhanced raffle;
- (d) Source of funds for purchasing prizes and conducting the enhanced raffle;
- (e) The amount of funds that the charitable or nonprofit licensee used or that will be used towards their stated purpose;

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(f) Report any state or federal regulatory actions taken in relation to enhanced raffles in Washington; and

(g) Any other information we require to ensure completeness of the information reported.

[Statutory Authority: RCW 9.46.070 and 9.46.0209. WSR 13-19-056 (Order 692), § 230-11-103, filed 9/16/13, effective 10/17/13.]

WAC 230-11-105 Retain and store raffle records. (1)

Records for unlicensed raffles must be kept for one year following the date of the raffle drawing.

(2) Records for licensed raffles must be kept for three years from the end of the licensees' fiscal year in which the raffle was completed.

(3) Organizations must keep all records at the main administrative or business office of all organizations that are located in Washington and have the records available for our review or audit.

(4) Organizations that do not have an administrative or business office must have and designate a records custodian that resides in Washington.

(5) We may allow an organization to maintain records outside the state of Washington if the organization submits a written request. We may withdraw this permission at any time.

[Statutory Authority: RCW 9.46.070. WSR 06-20-040 (Order 602), § 230-11-105, filed 9/26/06, effective 1/1/08.]