# FINAL BILL REPORT SB 6120

## C 150 L 20

#### Synopsis as Enacted

**Brief Description**: Amending types of nonprofit organizations qualified to engage in gambling activities.

Sponsors: Senators Conway and King; by request of Gambling Commission.

## Senate Committee on Labor & Commerce House Committee on Commerce & Gaming

**Background**: Washington's Gambling Act authorizes a bona fide charitable or nonprofit organization to conduct certain gambling activities such as bingo games, raffles, amusement games, and fundraising events to raise funds for the organization's purpose. Such a bona fide charitable or nonprofit organization may also allow the use of its premises, furnishings, and other facilities by members of the organization for playing social card and dice games. Depending on how the activity is conducted, a license issued to the bona fide charitable or nonprofit organization by the Washington State Gambling Commission (Commission) may be required.

To be an eligible bona fide charitable or nonprofit organization, the organization must be organized for one of the purposes specified in statute, which include agricultural, charitable, political, fraternal, or athletic purposes. The organization must be organized and continuously operating for at least 12 calendar months immediately preceding applying for a license to operate a gambling activity or operating any gambling activity for which no license is required. The organization must demonstrate to the Commission that it has made significant progress toward accomplishing the organization's purpose during the 12 consecutive month period preceding the date of application for a license or license renewal, and may not pay its employees compensation other than is reasonable under the local prevailing wage scale.

For the purposes of conducting certain raffles without a license and taxation of certain gambling activities, a bona fide nonprofit organization also includes:

- a credit union conducting raffles where the net proceeds are devoted to charitable and other authorized purposes; and
- a group of executive branch state employees that: (1) has approval from the agency's chief executive official to conduct one or more raffles; (2) conducts a raffle solely to raise funds for either the state combined fund drive (CFD), an entity approved to receive funds from the CFD, or a charitable or benevolent entity; (3) meets

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information reporting requirements; and (4) limits the participation in the raffle to agency employees.

**Summary**: Organizations existing for religious and scientific purposes are added to the definition of bona fide charitable or nonprofit organizations for purposes of the gambling statutes. The statute for certain organizations soliciting for charitable purposes is added to the list of statutes under which a bona fide charitable or nonprofit organizations may exist.

The Commission may license certain credit unions and certain groups of executive branch state employees who are conducting raffles for the state CFD or certain approved entities.

## Votes on Final Passage:

Senate460House961

Effective: June 11, 2020