S-3672.1			

## SENATE BILL 6339

State of Washington 2000 Regular Session 56th Legislature By Senators Prentice, Honeyford, T. Sheldon, Swecker, Heavey and Bauer

Read first time 01/13/2000. Referred to Committee on Commerce, Trade, Housing & Financial Institutions.

- AN ACT Relating to fund raising events; and amending RCW 9.46.0233. 1
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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- 3 RCW 9.46.0233 and 1987 c 4 s 24 are each amended to read Sec. 1. 4 as follows:
- 5 (1) "Fund raising event," as used in this chapter, means a fund raising event conducted during any seventy-two consecutive hours but
- 7 exceeding twenty-four consecutive hours and not more than once in any
- calendar year or a fund raising event conducted not more than twice 8
- 9 each calendar year for not more than twenty-four consecutive hours each
- 10 time by a bona fide charitable or nonprofit organization as defined in
- RCW 9.46.0209 other than any agricultural fair referred to thereunder, 11
- 12 upon authorization therefor by the commission, which the legislature
- 13 hereby authorizes to issue a license therefor, with or without fee,
- 14 permitting the following activities, or any of them, during such event:
- 15 Bingo, amusement games, contests of chance, lotteries and raffles:
- 16 PROVIDED, That (a) gross wagers and bets received by the organization
- 17 less the amount of money paid by the organization as winnings, as
- payment for services or equipment rental under subsection (2) of this 18
- 19 section, and for the purchase cost of prizes given as winnings do not

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exceed ten thousand dollars during the total calendar days of such fund 1 raising event in the calendar year; (b) such activities shall not 2 include any mechanical gambling or lottery device activated by the 3 4 insertion of a coin or by the insertion of any object purchased by any 5 person taking a chance by gambling in respect to the device; (c) only bona fide members of the organization who are not paid for such service 6 7 or persons licensed or approved by the commission under subsection (2) 8 of this section shall participate in the management or operation of the 9 activities, and all income therefrom, after deducting the cost of prizes and other expenses, shall be devoted solely to the lawful 10 purposes of the organization; and (d) such organization shall notify 11 the appropriate local law enforcement agency of the time and place 12 where such activities shall be conducted. The commission shall require 13 14 an annual information report setting forth in detail the expenses 15 incurred and the revenue received relative to the activities permitted.

- (2) Bona fide charitable or nonprofit organizations may hire a person or vendor, who is licensed or approved by the commission, to organize and conduct a fund raising event on behalf of the sponsoring organization subject to the following restrictions:
- 20 <u>(a) The person or vendor may not provide the facility for the</u> 21 event;
- (b) The person or vendor may use paid personnel and may be compensated by a fixed fee determined prior to the event, but may not share in the proceeds of the event;
  - (c) All wagers must be made with scrip or chips. At the end of the event, participants may be given the opportunity to purchase or otherwise redeem their scrip or chips for merchandise prizes. The value of all purchased prizes must not exceed ten percent of the gross revenue from the event; and
- 30 <u>(d) Only members and guests of the sponsoring organization may</u> 31 <u>participate in the event.</u>
- 32 (3) Bona fide charitable or nonprofit organizations holding a 33 license to conduct a fund raising event may join together to jointly 34 conduct a fund raising event if:
  - (a) Approval to do so is received from the commission; and
- 36 (b) The method of dividing the income and expenditures and the 37 method of recording and handling of funds are disclosed to the 38 commission in the application for approval of the joint fund raising 39 event and are approved by the commission.

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The gross wagers and bets received by the organizations less the amount of money paid by the organizations as winnings, as payment for services or equipment rental under subsection (2) of this section, and for the purchase costs of prizes given as winnings may not exceed ten thousand dollars during the total calendar days of such event. The net receipts each organization receives shall count against the organization's annual limit stated in this subsection.

 A joint fund raising event shall count against only the lead organization or organizations receiving fifty percent or more of the net receipts for the purposes of the number of such events an organization may conduct each year.

The commission may issue a joint license for a joint fund raising event and charge a license fee for such license according to a schedule of fees adopted by the commission which reflects the added cost to the commission of licensing more than one licensee for the event.

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