# FINAL BILL REPORT HB 1274

# C 133 L 17

#### Synopsis as Enacted

**Brief Description**: Concerning the member requirement for bona fide charitable or nonprofit organizations.

**Sponsors**: Representatives Sawyer, Vick, Condotta, Kloba and Ryu; by request of Gambling Commission.

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

#### **Background**:

The state'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 stated purposes. Such a bona fide charitable or nonprofit organization may also allow the use of its premises, furnishing, and other facilities by members of the organization for the playing of 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, and meet other requirements, including that the organization 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 also demonstrate to the Commission that the organization has made significant progress toward the accomplishment of the purposes of the organization 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.

Further, another requirement is that the organization have not less than 15 bona fide active members with the right to an equal vote in the election of the officers, or board members, if any, who determine the policies of the organization.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

### Summary:

The requirement that an organization have at least 15 bona fide active voting members to qualify as a bona fide charitable or nonprofit organization under the state's Gambling Act is removed.

# **Votes on Final Passage:**

House	96	0
Senate	49	0

Effective: July 23, 2017