
SUBSTITUTE HOUSE BILL 2358

State of Washington

56th Legislature

2000 Regular Session

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

Read first time 02/02/2000. Referred to Committee on .

1 AN ACT Relating to fund raising events; and amending RCW 9.46.0233.

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

3 **Sec. 1.** RCW 9.46.0233 and 1987 c 4 s 24 are each amended to read
4 as follows:

5 (1) "Fund raising event," as used in this chapter, means a fund
6 raising event conducted during any seventy-two consecutive hours but
7 exceeding twenty-four consecutive hours and not more than once in any
8 calendar year or a fund raising event conducted not more than twice
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
11 RCW 9.46.0209 other than any agricultural fair referred to thereunder,
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~~)). However: (a) Gross wagers and bets or revenue
17 generated from participants under subsection (2) of this section
18 received by the organization less the amount of money paid by the
19 organization as winnings, or as payment for services or equipment

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

18 (2) Bona fide charitable or nonprofit organizations may hire a
19 person or vendor, who is licensed or approved by the commission, to
20 organize and conduct a fund raising event on behalf of the sponsoring
21 organization subject to the following restrictions:

22 (a) The person or vendor may not provide the facility for the
23 event;

24 (b) The person or vendor may use paid personnel and may be
25 compensated by a fixed fee determined prior to the event, but may not
26 share in the proceeds of the event;

27 (c) All wagers must be made with scrip or chips having no cash
28 value. At the end of the event, participants may be given the
29 opportunity to purchase or otherwise redeem their scrip or chips for
30 merchandise prizes;

31 (d) The value of all purchased prizes must not exceed ten percent
32 of the gross revenue from the event; and

33 (e) Only members and guests of the sponsoring organization may
34 participate in the event.

35 (3) Bona fide charitable or nonprofit organizations holding a
36 license to conduct a fund raising event may join together to jointly
37 conduct a fund raising event if:

38 (a) Approval to do so is received from the commission; and

1 (b) The method of dividing the income and expenditures and the
2 method of recording and handling of funds are disclosed to the
3 commission in the application for approval of the joint fund raising
4 event and are approved by the commission.

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

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

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

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