
SUBSTITUTE SENATE BILL 6557

State of Washington

56th Legislature

2000 Regular Session

By Senate Committee on Commerce, Trade, Housing & Financial Institutions (originally sponsored by Senators Prentice, Winsley, Shin, Benton, Roach, Kohl-Welles and T. Sheldon)

Read first time 02/04/2000.

1 AN ACT Relating to credit union raffles; and amending RCW
2 9.46.0209.

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

4 **Sec. 1.** RCW 9.46.0209 and 1987 c 4 s 4 are each amended to read as
5 follows:

6 "Bona fide charitable or nonprofit organization," as used in this
7 chapter, means: (1) Any organization duly existing under the
8 provisions of chapter(~~s~~) 24.12, 24.20, or 24.28 RCW, any agricultural
9 fair authorized under the provisions of chapters 15.76 or 36.37 RCW, or
10 any nonprofit corporation duly existing under the provisions of chapter
11 24.03 RCW for charitable, benevolent, eleemosynary, educational, civic,
12 patriotic, political, social, fraternal, athletic or agricultural
13 purposes only, or any nonprofit organization, whether incorporated or
14 otherwise, when found by the commission to be organized and operating
15 for one or more of the aforesaid purposes only, all of which in the
16 opinion of the commission have been organized and are operated
17 primarily for purposes other than the operation of gambling activities
18 authorized under this chapter; or (2) any corporation which has been
19 incorporated under Title 36 U.S.C. and whose principal purposes are to

1 furnish volunteer aid to members of the armed forces of the United
2 States and also to carry on a system of national and international
3 relief and to apply the same in mitigating the sufferings caused by
4 pestilence, famine, fire, floods, and other national calamities and to
5 devise and carry on measures for preventing the same. Such an
6 organization must have been organized and continuously operating for at
7 least twelve calendar months immediately preceding making application
8 for any license to operate a gambling activity, or the operation of any
9 gambling activity authorized by this chapter for which no license is
10 required. It must have not less than fifteen bona fide active members
11 each with the right to an equal vote in the election of the officers,
12 or board members, if any, who determine the policies of the
13 organization in order to receive a gambling license. An organization
14 must demonstrate to the commission that it has made significant
15 progress toward the accomplishment of the purposes of the organization
16 during the twelve consecutive month period preceding the date of
17 application for a license or license renewal. The fact that
18 contributions to an organization do not qualify for charitable
19 contribution deduction purposes or that the organization is not
20 otherwise exempt from payment of federal income taxes pursuant to the
21 internal revenue code of 1954, as amended, shall constitute prima facie
22 evidence that the organization is not a bona fide charitable or
23 nonprofit organization for the purposes of this section.

24 Any person, association or organization which pays its employees,
25 including members, compensation other than is reasonable therefor under
26 the local prevailing wage scale shall be deemed paying compensation
27 based in part or whole upon receipts relating to gambling activities
28 authorized under this chapter and shall not be a bona fide charitable
29 or nonprofit organization for the purposes of this chapter.

30 For the purposes of RCW 9.46.0315 and 9.46.110, a bona fide
31 nonprofit organization also includes a credit union organized and
32 operating under state or federal law.

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