

HOUSE BILL REPORT

HB 2489

As Passed House:
February 7, 2008

Title: An act relating to raffle ticket prices.

Brief Description: Increasing raffle ticket prices.

Sponsors: By Representatives Moeller and Chase.

Brief History:

Committee Activity:

Commerce & Labor: 1/22/08, 1/29/08 [DP].

Floor Activity:

Passed House: 2/7/08, 95-0.

Brief Summary of Bill

- Raises the maximum price of a raffle ticket from \$25 to \$100 and allows the Gambling Commission to raise the maximum above \$100.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 7 members: Representatives Conway, Chair; Wood, Vice Chair; Chandler, Assistant Ranking Minority Member; Crouse, Green, Moeller and Williams.

Staff: Joan Elgee (786-7106).

Background:

Washington's Gambling Act authorizes charitable and nonprofit organizations to conduct raffles to raise funds for the organizations' stated purposes. The organization must be organized for one of the purposes specified in statute, which include agricultural, charitable, educational, political, fraternal, or athletic purposes, and meet other requirements.

A raffle may be conducted as a licensed or unlicensed raffle. A license is required if: (1) the gross revenue from all gambling fundraising conducted by the organization is more than \$5,000 per year; (2) tickets are sold by someone other than a member of the organization; (3)

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tickets are sold at a discount; (4) firearms are awarded as prizes; and (5) in certain other cases. By rule, if the retail value of a prize is \$40,000 or more or the total value of raffle prizes offered in a year exceeds \$80,000, Gambling Commission approval is required in addition to a license.

The maximum price of a raffle ticket is \$25.

Summary of Bill:

The maximum price of a raffle ticket is raised from \$25 to \$100. The Gambling Commission may raise the maximum amount above \$100 by rule.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) This bill will make it easier for nonprofit, faith-based, and charitable organizations to raise funds and support their good work. The price has not been looked at in over 10 years. Trying to raffle large items means hundreds of tickets have to be sold.

(Neutral) Arguments in favor are that receipts may go up and raffles may be more interesting. Arguments against are that higher prices will expose the organization and purchasers to more risk and accounting errors may increase.

(Opposed) None.

Persons Testifying: (In support) Representative Moeller, prime sponsor; and Julie Burger, Congregation Kol Ami.

(Neutral) Amy Hunter, Washington State Gambling Commission.

Persons Signed In To Testify But Not Testifying: None.