

# SENATE BILL REPORT

## SB 5645

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As of February 10, 2009

**Title:** An act relating to designating counties, cities, and towns as bona fide nonprofit organizations under certain terms and conditions.

**Brief Description:** Designating counties, cities, and towns as bona fide nonprofit organizations under certain terms and conditions.

**Sponsors:** Senators Parlette and Kohl-Welles.

**Brief History:**

**Committee Activity:** Labor, Commerce & Consumer Protection: 2/09/09.

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### SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

**Staff:** Kathleen Buchli (786-7488)

**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) tickets are sold at a discount; and (4) in certain other cases. All raffles must meet certain requirements, including maintenance of records.

Credit unions and a group of executive branch state employees are considered nonprofit organizations and may conduct unlicensed raffles under certain conditions.

**Summary of Bill:** A county, city, or town is considered a nonprofit organization for purposes of organizations authorized to conduct raffles and may conduct licensed or unlicensed raffles so long as the revenue, less prizes and expenses, is used for community activities or tourism promotion activities.

**Appropriation:** None.

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*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.*

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This helps the City of East Wenatchee to continue what they have done for years, to raise money for their Wings and Wheels Festival and Classy Chassis Car Show.

**Persons Testifying:** PRO: Senator Parlette, prime sponsor.