

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 1273**

61st Legislature  
2009 Regular Session

Passed by the House February 23, 2009  
Yeas 97 Nays 0

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**Speaker of the House of Representatives**

Passed by the Senate April 9, 2009  
Yeas 40 Nays 8

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**President of the Senate**

Approved

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**Governor of the State of Washington**

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1273** as passed by the House of Representatives and the Senate on the dates hereon set forth.

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**Chief Clerk**

FILED

**Secretary of State  
State of Washington**

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HOUSE BILL 1273

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Passed Legislature - 2009 Regular Session

State of Washington                      61st Legislature                      2009 Regular Session

By Representatives Condotta and Armstrong

Read first time 01/16/09. Referred to Committee on Commerce & Labor.

1            AN ACT Relating to allowing counties, cities, and towns to conduct  
2 raffles under certain terms and conditions; and amending RCW 9.46.0209.

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

4            **Sec. 1.** RCW 9.46.0209 and 2007 c 452 s 1 are each amended to read  
5 as follows:

6            (1)(a) "Bona fide charitable or nonprofit organization," as used in  
7 this chapter, means:

8            (i) Any organization duly existing under the provisions of chapter  
9 24.12, 24.20, or 24.28 RCW, any agricultural fair authorized under the  
10 provisions of chapters 15.76 or 36.37 RCW, or any nonprofit corporation  
11 duly existing under the provisions of chapter 24.03 RCW for charitable,  
12 benevolent, eleemosynary, educational, civic, patriotic, political,  
13 social, fraternal, athletic or agricultural purposes only, or any  
14 nonprofit organization, whether incorporated or otherwise, when found  
15 by the commission to be organized and operating for one or more of the  
16 aforesaid purposes only, all of which in the opinion of the commission  
17 have been organized and are operated primarily for purposes other than  
18 the operation of gambling activities authorized under this chapter; or

1 (ii) Any corporation which has been incorporated under Title 36  
2 U.S.C. and whose principal purposes are to furnish volunteer aid to  
3 members of the armed forces of the United States and also to carry on  
4 a system of national and international relief and to apply the same in  
5 mitigating the sufferings caused by pestilence, famine, fire, floods,  
6 and other national calamities and to devise and carry on measures for  
7 preventing the same.

8 (b) An organization defined under (a) of this subsection must:

9 (i) Have been organized and continuously operating for at least  
10 twelve calendar months immediately preceding making application for any  
11 license to operate a gambling activity, or the operation of any  
12 gambling activity authorized by this chapter for which no license is  
13 required;

14 (ii) Have not less than fifteen bona fide active members each with  
15 the right to an equal vote in the election of the officers, or board  
16 members, if any, who determine the policies of the organization in  
17 order to receive a gambling license; and

18 (iii) Demonstrate to the commission that it has made significant  
19 progress toward the accomplishment of the purposes of the organization  
20 during the twelve consecutive month period preceding the date of  
21 application for a license or license renewal. The fact that  
22 contributions to an organization do not qualify for charitable  
23 contribution deduction purposes or that the organization is not  
24 otherwise exempt from payment of federal income taxes pursuant to the  
25 internal revenue code of 1954, as amended, shall constitute prima facie  
26 evidence that the organization is not a bona fide charitable or  
27 nonprofit organization for the purposes of this section.

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

34 (2) For the purposes of RCW 9.46.0315 and 9.46.110, a bona fide  
35 nonprofit organization also includes:

36 (a) A credit union organized and operating under state or federal  
37 law. All revenue less prizes and expenses received from raffles

1 conducted by credit unions must be devoted to purposes authorized under  
2 this section for charitable and nonprofit organizations; and

3 (b) A group of executive branch state employees that:

4 (i) Has requested and received revocable approval from the agency's  
5 chief executive official, or such official's designee, to conduct one  
6 or more raffles in compliance with this section;

7 (ii) Conducts a raffle solely to raise funds for either the state  
8 combined fund drive, created under RCW 41.04.033; an entity approved to  
9 receive funds from the state combined fund drive; or a charitable or  
10 benevolent entity, including but not limited to a person or family in  
11 need, as determined by a majority vote of the approved group of  
12 employees. No person or other entity may receive compensation in any  
13 form from the group for services rendered in support of this purpose;

14 (iii) Promptly provides such information about the group's  
15 receipts, expenditures, and other activities as the agency's chief  
16 executive official or designee may periodically require, and otherwise  
17 complies with this section and RCW 9.46.0315; and

18 (iv) Limits the participation in the raffle such that raffle  
19 tickets are sold only to, and winners are determined only from, the  
20 employees of the agency.

21 (3) For the purposes of RCW 9.46.0277, a bona fide nonprofit  
22 organization also includes a county, city, or town, provided that all  
23 revenue less prizes and expenses from raffles conducted by the county,  
24 city, or town must be used for community activities or tourism  
25 promotion activities.

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