

HOUSE BILL REPORT

SB 6465

As Reported by House Committee On:
State Government & Tribal Affairs

Title: An act relating to raffles exceeding five thousand dollars.

Brief Description: Concerning raffles exceeding five thousand dollars.

Sponsors: Senators Holmquist Newbry and Kohl-Welles.

Brief History:

Committee Activity:

State Government & Tribal Affairs: 2/16/12, 2/20/12 [DP].

Brief Summary of Bill

- Allows raffles that exceed \$5,000 in gross revenues to be conducted pursuant to a statutory section permitting members-only raffles as long as a license from the Gambling Commission is obtained.

HOUSE COMMITTEE ON STATE GOVERNMENT & TRIBAL AFFAIRS

Majority Report: Do pass. Signed by 11 members: Representatives Hunt, Chair; Appleton, Vice Chair; Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander, Condotta, Darneille, Dunshee, Hurst, McCoy and Miloscia.

Staff: Cece Clynch (786-7195).

Background:

A raffle is an event where tickets are sold and prizes are awarded based on a random drawing. In general, only certain charitable and nonprofit organizations are permitted to offer raffles. Organizations must be organized or operated for one of the following purposes: agricultural, athletic, charitable, civic, educational, fraternal, patriotic, political, or social. Agricultural fairs, fraternal societies, religious societies, churches, and granges also qualify. There are also some circumstances under which credit unions, cities, counties, and towns, and executive branch state employees may offer raffles.

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.

Some raffles require a license from the Gambling Commission (Commission) and others do not:

- Unlicensed members-only raffles. An organization may hold an unlimited number of raffles that are open exclusively to members so long as the combined gross revenue does not exceed \$5,000 per calendar year. Specific authorization is given in this statute for the organization to provide unopened containers of beverages containing alcohol as raffle prizes if the appropriate permit has been obtained from the Liquor Control Board.
- Unlicensed public raffles. An organization may hold two raffles per year that are open to the public if the combined gross revenue does not exceed \$5,000 per year, it is managed and conducted exclusively by members, the organization maintains records for one year, and it provides notice of the raffle to the local police agency at least five days in advance.
- Licensed raffles. If an organization wishes to hold a raffle that does not conform to the unlicensed raffle requirements, it must obtain a license from the Commission.

Summary of Bill:

Raffles that exceed \$5,000 may be conducted pursuant to the statutory section pertaining to members-only raffles, as long as a license is obtained from the Commission.

Appropriation: None.

Fiscal Note: Not requested.

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

Staff Summary of Public Testimony:

(In support) This bill would allow members-only raffles exceeding \$5,000 in gross revenue to offer alcohol as prizes. Thanks is due to the Commission staff for working on the language so it works for the Commission. The Eagles are in the midst of trying to raise \$25 million for a new hospital wing for diabetes. This amendment to law will help with that fundraising effort. This allows the Eagles and others to continue to raise money for charities. Every single dollar raised by the Eagles goes to charities; not a single dollar goes to pay for administration. In addition to raising money for charities, the Eagles' Hands of Many Eagles project allows other charities to use Eagles' facilities and retain all of the money that they raise.

(Opposed) None.

Persons Testifying: Senator Holmquist Newbry; and Charles Butterfield, Elma Eagles.

Persons Signed In To Testify But Not Testifying: None.