
SENATE BILL 5704

State of Washington

68th Legislature

2023 Regular Session

By Senators Rivers, Shewmake, Dozier, Cleveland, King, Torres, Lovick, Pedersen, and L. Wilson

Read first time 02/06/23. Referred to Committee on Business, Financial Services, Gaming & Trade.

1 AN ACT Relating to requirements for fund-raising activities of
2 bona fide charitable or nonprofit organizations; amending RCW
3 9.46.0209, 9.46.0277, 9.46.0311, 9.46.0315, 9.46.0321, 9.46.0323,
4 9.46.0356, and 9.46.070; and adding a new section to chapter 9.46
5 RCW.

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

7 **Sec. 1.** RCW 9.46.0209 and 2021 c 176 s 5202 are each amended to
8 read as follows:

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

11 (i) Any organization duly existing under the provisions of
12 chapter 24.12, 24.20, or 24.28 RCW, any agricultural fair authorized
13 under the provisions of chapter 15.76 or 36.37 RCW, or any nonprofit
14 corporation duly existing under the provisions of chapter 19.09 or
15 24.03A RCW for charitable, benevolent, eleemosynary, educational,
16 civic, patriotic, political, religious, scientific, social,
17 fraternal, athletic, or agricultural purposes only, or any nonprofit
18 organization, whether incorporated or otherwise, when found by the
19 commission to be organized and operating for one or more of the
20 aforesaid purposes only, all of which in the opinion of the
21 commission have been organized and are operated primarily for

1 purposes other than the operation of gambling activities authorized
2 under this chapter; ((~~or~~))

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

10 (iii) Any organization qualifying as tax exempt under 26 U.S.C.
11 Sec. 501(c)(3) of the federal internal revenue code, as it existed on
12 the effective date of this section; or

13 (iv) Any nonprofit organization that is registered in Washington.

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

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

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

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

37 (2) For the purposes of RCW 9.46.0315 and 9.46.110, a bona fide
38 nonprofit organization can be licensed by the commission and
39 includes:

1 (a) A credit union organized and operating under state or federal
2 law. All revenue less prizes and expenses received from raffles
3 conducted by credit unions must be devoted to purposes authorized
4 under this section for charitable and nonprofit organizations; and

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

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

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

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

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

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

28 **Sec. 2.** RCW 9.46.0277 and 2009 c 133 s 1 are each amended to
29 read as follows:

30 "Raffle," as used in this chapter, means a game in which tickets
31 bearing an individual number are sold for not more than (~~one hundred~~
32 ~~dollars~~) \$250 each and in which a prize or prizes are awarded on the
33 basis of a drawing from the tickets by the person or persons
34 conducting the game, when the game is conducted by a bona fide
35 charitable or nonprofit organization, and no person other than a bona
36 fide member of the organization takes any part in the management or
37 operation of the game (~~(, and no part of the proceeds thereof inure to~~
38 ~~the benefit of any person other than the organization conducting the~~

1 game)). Members of the public may purchase raffle tickets and be
2 awarded a raffle prize.

3 **Sec. 3.** RCW 9.46.0311 and 1987 c 4 s 26 are each amended to read
4 as follows:

5 The legislature hereby authorizes bona fide charitable or
6 nonprofit organizations to conduct bingo games, raffles, sweepstakes,
7 amusement games, and fund-raising events, including online fund-
8 raising activities and events, and to utilize punchboards and pull-
9 tabs and to allow their premises and facilities to be used by only
10 members, their guests, and members of a chapter or unit organized
11 under the same state, regional, or national charter or constitution,
12 to play social card games authorized by the commission, when
13 licensed, conducted or operated pursuant to the provisions of this
14 chapter and rules and regulations adopted pursuant thereto.

15 **Sec. 4.** RCW 9.46.0315 and 2012 c 131 s 1 are each amended to
16 read as follows:

17 Bona fide charitable or bona fide nonprofit organizations
18 organized primarily for purposes other than the conduct of raffles,
19 are hereby authorized to conduct raffles without obtaining a license
20 to do so from the commission when such raffles are held in accordance
21 with all other requirements of this chapter, other applicable laws,
22 and rules of the commission; and when gross revenues from all such
23 raffles held by the organization during the calendar year do not
24 exceed ~~((five thousand dollars; and when tickets to such raffles are~~
25 ~~sold only to, and winners are determined only from among, the regular~~
26 ~~members of the organization conducting the raffle))~~ \$10,000 per
27 authorized event. Members of the public and members of the
28 organization may purchase raffle tickets and be awarded prizes. The
29 organization may provide unopened containers of beverages containing
30 alcohol as raffle prizes if the appropriate permit has been obtained
31 from the liquor ~~((control))~~ and cannabis board~~((: PROVIDED, That))~~.
32 However, raffles that exceed ~~((five thousand dollars))~~ \$10,000 may
33 also be conducted ~~((pursuant to the provisions of))~~ under this
34 section if the organization obtains a license from the commission~~((: PROVIDED FURTHER, That the))~~.
35 For the purposes of this section, the
36 term ~~((members for this purpose shall mean))~~ "members" means only
37 those persons who have become members ~~((prior to))~~ before the
38 commencement of the raffle and whose qualification for membership was

1 not dependent upon, or in any way related to, the purchase of a
2 ticket, or tickets, for such raffles.

3 **Sec. 5.** RCW 9.46.0321 and 1987 c 4 s 28 are each amended to read
4 as follows:

5 Bona fide charitable or bona fide nonprofit organizations
6 organized primarily for purposes other than the conduct of such
7 activities are hereby authorized to conduct bingo, raffles, and
8 amusement games, without obtaining a license to do so from the
9 commission but only when:

10 (1) Such activities are held in accordance with all other
11 requirements of this chapter, other applicable laws, and rules of the
12 commission;

13 (2) Said activities are ~~((, alone or in any combination,))~~
14 conducted no more than four times each calendar year for raffles and
15 twice each calendar year for bingo and amusement games, and over a
16 period of no more than twelve consecutive days each time,
17 notwithstanding the limitations of RCW 9.46.0205 ~~((: PROVIDED, That))~~.
18 However, a raffle conducted under this subsection may be conducted
19 for a period longer than twelve days;

20 (3) Only bona fide members of that organization, who are not paid
21 for such services, participate in the management or operation of the
22 activities;

23 (4) Gross revenues to the organization from ~~((all the activities~~
24 ~~together))~~ raffles do not exceed \$10,000 during any calendar year;

25 (5) Gross revenues to the organization from bingo and amusement
26 games do not exceed ((five thousand dollars)) \$5,000 during any
27 calendar year;

28 ~~((5))~~ (6) All revenue therefrom, after deducting the cost of
29 prizes and other expenses of the activity, is devoted solely to the
30 purposes for which the organization qualifies as a bona fide
31 charitable or nonprofit organization;

32 ~~((6) The organization gives notice at least five days in advance~~
33 ~~of the conduct of any of the activities to the local police agency of~~
34 ~~the jurisdiction within which the activities are to be conducted of~~
35 ~~the organization's intent to conduct the activities, the location of~~
36 ~~the activities, and the date or dates they will be conducted;))~~ and

37 (7) The organization conducting the activities maintains records
38 for a period of one year from the date of the event which accurately
39 show at a minimum the gross revenue from each activity, details of

1 the expenses of conducting the activities, and details of the uses to
2 which the gross revenue therefrom is put.

3 **Sec. 6.** RCW 9.46.0323 and 2021 c 81 s 1 are each amended to read
4 as follows:

5 (1) A bona fide charitable or nonprofit organization, as defined
6 in RCW 9.46.0209, (~~whose primary purpose is serving individuals with~~
7 ~~intellectual disabilities~~) may conduct enhanced raffles if licensed
8 by the commission.

9 (2) The commission has the authority to approve two enhanced
10 raffles per calendar year for western Washington and two enhanced
11 raffles per calendar year for eastern Washington. Whether the
12 enhanced raffle occurs in western Washington or eastern Washington
13 will be determined by the location where the grand prize winning
14 ticket is to be drawn as stated on the organization's application to
15 the commission. An enhanced raffle is considered approved when voted
16 on by the commission.

17 (3) The commission has the authority to approve enhanced raffles
18 under the following conditions:

19 (a) The value of the grand prize must not exceed \$10,000,000.

20 (b) Sales may be made in person, by mail, by fax, or by telephone
21 only. Raffle ticket order forms may be printed from the bona fide
22 charitable or nonprofit organization's website. Obtaining the form in
23 this manner does not constitute a sale.

24 (c) Tickets purchased as part of a multiple ticket package may be
25 purchased at a discount. The organization may offer different levels
26 of discounts based on the volume of tickets sold in the multiple
27 packages.

28 (d) Multiple smaller prizes are authorized during the course of
29 an enhanced raffle for a grand prize including, but not limited to,
30 early bird, refer a friend, and multiple ticket drawings.

31 (e) A purchase contract is not necessary for smaller noncash
32 prizes, but the bona fide charitable or nonprofit organization must
33 be able to demonstrate that such a prize is available and sufficient
34 funds are held in reserve in the event that the winner chooses a
35 noncash prize.

36 (f) All enhanced raffles and associated smaller raffles must be
37 independently audited, as defined by the commission during rule
38 making. The audit results must be reported to the commission.

1 (g) Call centers, when licensed by the commission, are
2 authorized. The bona fide charitable or nonprofit organization may
3 contract with a call center vendor to receive enhanced raffle ticket
4 sales. The vendor may not solicit sales. The vendor may be located
5 outside the state, but the bona fide charitable or nonprofit
6 organization must have a contractual relationship with the vendor
7 stating that the vendor must comply with all applicable Washington
8 state laws and rules.

9 (h) The bona fide charitable or nonprofit organization must be
10 the primary recipient of the funds raised.

11 (i) Sales data may be transmitted electronically from the vendor
12 to the bona fide charitable or nonprofit organization. Credit cards,
13 issued by a state regulated or federally regulated financial
14 institution, may be used for payment to participate in enhanced
15 raffles.

16 (j) Receipts including ticket confirmation numbers may be sent to
17 ticket purchasers either by mail or by email.

18 (k) In the event the bona fide charitable or nonprofit
19 organization determines ticket sales are insufficient to qualify for
20 a complete enhanced raffle to move forward, the enhanced raffle
21 winner must receive fifty percent of the net proceeds in excess of
22 expenses as the grand prize. The enhanced raffle winner will receive
23 a choice between an annuity value equal to fifty percent of the net
24 proceeds in excess of expenses paid by annuity over twenty years, or
25 a one-time cash payment of seventy percent of the annuity value.

26 (l) A bona fide charitable or nonprofit organization is
27 authorized to hire a consultant licensed by the commission to run an
28 enhanced raffle; in addition, the bona fide charitable or nonprofit
29 organization must have a dedicated employee who is responsible for
30 oversight of enhanced raffle operations. The bona fide charitable or
31 nonprofit organization is ultimately responsible for ensuring that an
32 enhanced raffle is conducted in accordance with all applicable state
33 laws and rules.

34 (4) The commission has the authority to set fees for bona fide
35 charitable or nonprofit organizations, call center vendors, and
36 consultants conducting enhanced raffles authorized under this
37 section.

38 (5) The commission has the authority to adopt rules governing the
39 licensing and operation of enhanced raffles.

1 (6) Except as specifically authorized in this section, enhanced
2 raffles must be held in accordance with all other requirements of
3 this chapter, other applicable laws, and rules of the commission.

4 (7) For the purposes of this section:

5 (a) "Enhanced raffle" means a game in which tickets bearing an
6 individual number are sold (~~((for not more than two hundred fifty~~
7 ~~dollars each))~~) and in which a grand prize and smaller prizes are
8 awarded on the basis of drawings from the tickets by the person or
9 persons conducting the game. An enhanced raffle may include
10 additional related entries and drawings, such as early bird, refer a
11 friend, and multiple ticket drawings when the bona fide charitable or
12 nonprofit organization establishes the eligibility standards for such
13 entries and drawings before any enhanced raffle tickets are sold. No
14 drawing may occur by using a random number generator or similar
15 means.

16 (b) "Early bird drawing" means a separate drawing for a separate
17 prize held prior to the grand prize drawing. All tickets entered into
18 the early bird drawing, including all early bird winning tickets, are
19 entered into subsequent early bird drawings, and also entered into
20 the drawing for the grand prize.

21 (c) "Refer a friend drawing" means a completely separate drawing,
22 using tickets distinct from those for the enhanced raffle, for a
23 separate prize held at the conclusion of the enhanced raffle for all
24 enhanced raffle ticket purchasers, known as the referring friend, who
25 refer other persons to the enhanced raffle when the other person
26 ultimately purchases an enhanced raffle ticket. The referring friend
27 will receive one ticket for each friend referred specifically for the
28 refer a friend drawing. In addition, each friend referred could also
29 become a referring friend and receive his or her own additional
30 ticket for the refer a friend drawing.

31 (d) "Multiple ticket drawing" means a completely separate
32 drawing, using tickets distinct from those for the enhanced raffle,
33 for a separate prize held at the conclusion of the enhanced raffle
34 for all enhanced raffle ticket purchasers who purchase a specified
35 number of enhanced raffle tickets. For example, a multiple ticket
36 drawing could include persons who purchase three or more enhanced
37 raffle tickets in the same order, using the same payment information,
38 with tickets in the same person's name. For each eligible enhanced
39 raffle ticket purchased, the purchaser also receives a ticket for the
40 multiple ticket drawing prize.

1 (e) "Western Washington" includes those counties west of the
2 Cascade mountains, including Clallam, Clark, Cowlitz, Grays Harbor,
3 Island, Jefferson, King, Kitsap, Lewis, Mason, Pacific, Pierce, San
4 Juan, Skagit, Skamania, Snohomish, Thurston, Wahkiakum, and Whatcom.

5 (f) "Eastern Washington" includes those counties east of the
6 Cascade mountains that are not listed in (e) of this subsection.

7 (8) The commission's reporting obligations under RCW 9.46.090
8 must address enhanced raffles. The report must include results of the
9 raffles, revenue generated by the raffles, and identify any state or
10 federal regulatory actions taken in relation to enhanced raffles in
11 Washington. The report must also make recommendations, if any, for
12 policy changes to the enhanced raffle authority.

13 **Sec. 7.** RCW 9.46.0356 and 2011 c 303 s 2 are each amended to
14 read as follows:

15 (1) The legislature authorizes:

16 (a) A business or bona fide charitable or nonprofit organization
17 to conduct a promotional contest of chance as defined in this
18 section, in this state, or partially in this state, whereby the
19 elements of prize and chance are present but in which the element of
20 consideration is not present;

21 (b) A financial institution, as defined in RCW (~~30.22.040~~)
22 30A.22.040, to conduct a promotional contest of chance under this
23 section in which: (i) A drawing for an annual prize is held that
24 includes as eligible prize recipients only those persons who
25 deposited funds at the financial institution in a savings account,
26 certificate of deposit, or any other savings program and retained
27 those funds for at least twelve months in the savings account,
28 certificate of deposit, or other savings program; and (ii) drawings
29 for other prizes are held from time to time that include as eligible
30 prize recipients only those persons who deposited funds at the
31 financial institution in a savings account, certificate of deposit,
32 or other savings program. No such contest may be conducted, either
33 wholly or partially, by means of the internet.

34 (2) Promotional contests of chance under this section are not
35 gambling as defined in RCW 9.46.0237.

36 (3) Promotional contests of chance shall be conducted as
37 advertising and promotional undertakings solely for the purpose of
38 advertising or promoting the services, goods, wares, and merchandise
39 of a business or bona fide charitable or nonprofit organization.

1 (4) No person eligible to receive a prize in a promotional
2 contest of chance under subsection (1)(a) of this section may be
3 required to:

4 (a) Pay any consideration to the promoter or operator of the
5 business or bona fide charitable or nonprofit organization in order
6 to participate in the contest; or

7 (b) Purchase any service, goods, wares, merchandise, or anything
8 of value from the business or bona fide charitable or nonprofit
9 organization, however, for other than contests entered through a
10 direct mail solicitation, the promoter or sponsor may give additional
11 entries or chances upon purchase of service, goods, wares, or
12 merchandise if the promoter or sponsor provides an alternate method
13 of entry requiring no consideration.

14 (5) No person eligible to receive a prize in a promotional
15 contest of chance under subsection (1)(b) of this section may be
16 required to pay any consideration other than the deposit of funds, or
17 purchase any service, goods, wares, merchandise, or anything of value
18 from the financial institution.

19 (6)(a) As used in this section, "consideration" means anything of
20 pecuniary value required to be paid to the promoter or sponsor in
21 order to participate in a promotional contest. Such things as
22 visiting a business or bona fide charitable or nonprofit organization
23 location, placing or answering a telephone call, completing an entry
24 form or customer survey, or furnishing a stamped, self-addressed
25 envelope do not constitute consideration.

26 (b) Coupons or entry blanks obtained by purchase of a bona fide
27 newspaper or magazine or in a program sold in conjunction with a
28 regularly scheduled sporting event are not consideration.

29 (7) Unless authorized by the commission, equipment or devices
30 made for use in a gambling activity are prohibited from use in a
31 promotional contest.

32 (8) This section shall not be construed to permit noncompliance
33 with chapter 19.170 RCW, promotional advertising of prizes, and
34 chapter 19.86 RCW, unfair business practices.

35 **Sec. 8.** RCW 9.46.070 and 2020 c 127 s 3 are each amended to read
36 as follows:

37 The commission shall have the following powers and duties:

38 (1) To authorize and issue licenses for a period not to exceed
39 one year to bona fide charitable or nonprofit organizations approved

1 by the commission meeting the requirements of this chapter and any
2 rules and regulations adopted pursuant thereto permitting said
3 organizations to conduct bingo games, raffles, amusement games, and
4 social card games, including phone sales, online raffles, and online
5 sweepstakes, to utilize punchboards and pull-tabs in accordance with
6 the provisions of this chapter and any rules and regulations adopted
7 pursuant thereto, and to revoke or suspend said licenses for
8 violation of any provisions of this chapter or any rules and
9 regulations adopted pursuant thereto: PROVIDED, That the commission
10 shall not deny a license to an otherwise qualified applicant in an
11 effort to limit the number of licenses to be issued: PROVIDED
12 FURTHER, That the commission or director shall not issue, deny,
13 suspend, or revoke any license because of considerations of race,
14 sex, creed, color, or national origin: AND PROVIDED FURTHER, That the
15 commission may authorize the director to temporarily issue or suspend
16 licenses subject to final action by the commission;

17 (2) To authorize and issue licenses for a period not to exceed
18 one year to any person, association, or organization operating a
19 business primarily engaged in the selling of items of food or drink
20 for consumption on the premises, approved by the commission meeting
21 the requirements of this chapter and any rules and regulations
22 adopted pursuant thereto permitting said person, association, or
23 organization to utilize punchboards and pull-tabs and to conduct
24 social card games as a commercial stimulant in accordance with the
25 provisions of this chapter and any rules and regulations adopted
26 pursuant thereto and to revoke or suspend said licenses for violation
27 of any provisions of this chapter and any rules and regulations
28 adopted pursuant thereto: PROVIDED, That the commission shall not
29 deny a license to an otherwise qualified applicant in an effort to
30 limit the number of licenses to be issued: PROVIDED FURTHER, That the
31 commission may authorize the director to temporarily issue or suspend
32 licenses subject to final action by the commission;

33 (3) To authorize and issue licenses for a period not to exceed
34 one year to any person, association, or organization approved by the
35 commission meeting the requirements of this chapter and meeting the
36 requirements of any rules and regulations adopted by the commission
37 pursuant to this chapter as now or hereafter amended, permitting said
38 person, association, or organization to conduct or operate amusement
39 games in such manner and at such locations as the commission may

1 determine. The commission may authorize the director to temporarily
2 issue or suspend licenses subject to final action by the commission;

3 (4) To authorize, require, and issue, for a period not to exceed
4 one year, such licenses as the commission may by rule provide, to any
5 person, association, or organization to engage in the manufacturing,
6 selling, distributing, or otherwise supplying of devices, equipment,
7 software, hardware, or any gambling-related services for use within
8 this state for those activities authorized by this chapter. The
9 commission may authorize the director to temporarily issue or suspend
10 licenses subject to final action by the commission;

11 (5) To establish a schedule of annual license fees for carrying
12 on specific gambling activities upon the premises, and for such other
13 activities as may be licensed by the commission, which fees shall
14 provide to the commission not less than an amount of money adequate
15 to cover all costs incurred by the commission relative to licensing
16 under this chapter and the enforcement by the commission of the
17 provisions of this chapter and rules and regulations adopted pursuant
18 thereto: PROVIDED, That all licensing fees shall be submitted with an
19 application therefor and such portion of said fee as the commission
20 may determine, based upon its cost of processing and investigation,
21 shall be retained by the commission upon the withdrawal or denial of
22 any such license application as its reasonable expense for processing
23 the application and investigation into the granting thereof: PROVIDED
24 FURTHER, That if in a particular case the basic license fee
25 established by the commission for a particular class of license is
26 less than the commission's actual expenses to investigate that
27 particular application, the commission may at any time charge to that
28 applicant such additional fees as are necessary to pay the commission
29 for those costs. The commission may decline to proceed with its
30 investigation and no license shall be issued until the commission has
31 been fully paid therefor by the applicant: AND PROVIDED FURTHER, That
32 the commission may establish fees for the furnishing by it to
33 licensees of identification stamps to be affixed to such devices and
34 equipment as required by the commission and for such other special
35 services or programs required or offered by the commission, the
36 amount of each of these fees to be not less than is adequate to
37 offset the cost to the commission of the stamps and of administering
38 their dispersal to licensees or the cost of administering such other
39 special services, requirements or programs;

1 (6) To prescribe the manner and method of payment of taxes, fees,
2 and penalties to be paid to or collected by the commission. However,
3 methods of payment of taxes, fees, and penalties offered to any
4 licensee must be offered to all other licensees;

5 (7) To require that applications for all licenses contain such
6 information as may be required by the commission: PROVIDED, That all
7 persons (a) having a managerial or ownership interest in any gambling
8 activity, or the building in which any gambling activity occurs, or
9 the equipment to be used for any gambling activity, (b) participating
10 as an employee in the operation of any gambling activity, or (c)
11 participating as an employee in the operation, management, or
12 providing of gambling-related services for sports wagering, shall be
13 listed on the application for the license and the applicant shall
14 certify on the application, under oath, that the persons named on the
15 application are all of the persons known to have an interest in any
16 gambling activity, building, or equipment by the person making such
17 application: PROVIDED FURTHER, That the commission shall require
18 fingerprinting and national criminal history background checks on any
19 persons seeking licenses, certifications, or permits under this
20 chapter or of any person holding an interest in any gambling
21 activity, building, or equipment to be used therefor, or of any
22 person participating as an employee in the operation of any gambling
23 activity. All national criminal history background checks shall be
24 conducted using fingerprints submitted to the United States
25 department of justice-federal bureau of investigation. The commission
26 must establish rules to delineate which persons named on the
27 application are subject to national criminal history background
28 checks. In identifying these persons, the commission must take into
29 consideration the nature, character, size, and scope of the gambling
30 activities requested by the persons making such applications;

31 (8) To require that any license holder maintain records as
32 directed by the commission and submit such reports as the commission
33 may deem necessary. By January 1, 2024, the commission must adopt
34 rules that simplify and streamline the recordkeeping requirements for
35 license holders. The streamlined rules must allow for license holders
36 to maintain quarterly records;

37 (9) To require that all income from bingo games, raffles, and
38 amusement games be recorded and reported as established by rule (~~or~~
39 ~~regulation~~)) of the commission to the extent deemed necessary by
40 considering the scope and character of the gambling activity in such

1 a manner that will disclose gross income from any gambling activity,
2 amounts received from each player, the nature and value of prizes,
3 and the fact of distributions of such prizes to the winners thereof.
4 However, the commission may not require a bona fide charitable or
5 nonprofit organization to keep separate accounts for funds generated
6 from gambling activities;

7 (10) To regulate and establish maximum limitations on income
8 derived from bingo. In establishing limitations pursuant to this
9 subsection the commission shall take into account (a) the nature,
10 character, and scope of the activities of the licensee; (b) the
11 source of all other income of the licensee; and (c) the percentage or
12 extent to which income derived from bingo is used for charitable, as
13 distinguished from nonprofit, purposes. However, the commission's
14 powers and duties granted by this subsection are discretionary and
15 not mandatory;

16 (11) To regulate and establish the type and scope of and manner
17 of conducting the gambling activities authorized by this chapter,
18 including but not limited to, the extent of wager, money, or other
19 thing of value which may be wagered or contributed or won by a player
20 in any such activities;

21 (12) To regulate the collection of and the accounting for the fee
22 which may be imposed by an organization, corporation, or person
23 licensed to conduct a social card game on a person desiring to become
24 a player in a social card game in accordance with RCW 9.46.0282;

25 (13) To cooperate with and secure the cooperation of county,
26 city, and other local or state agencies in investigating any matter
27 within the scope of its duties and responsibilities;

28 (14) In accordance with RCW 9.46.080, to adopt such rules and
29 regulations as are deemed necessary to carry out the purposes and
30 provisions of this chapter. All rules and regulations shall be
31 adopted pursuant to the administrative procedure act, chapter 34.05
32 RCW;

33 (15) To set forth for the perusal of counties, city-counties,
34 cities and towns, model ordinances by which any legislative authority
35 thereof may enter into the taxing of any gambling activity authorized
36 by this chapter;

37 (16)(a) To establish and regulate a maximum limit on salaries or
38 wages which may be paid to persons employed in connection with
39 activities conducted by bona fide charitable or nonprofit
40 organizations and authorized by this chapter, where payment of such

1 persons is allowed, and to regulate and establish maximum limits for
2 other expenses in connection with such authorized activities,
3 including but not limited to rent or lease payments. However, the
4 commissioner's powers and duties granted by this subsection are
5 discretionary and not mandatory.

6 (b) In establishing these maximum limits the commission shall
7 take into account the amount of income received, or expected to be
8 received, from the class of activities to which the limits will apply
9 and the amount of money the games could generate for authorized
10 charitable or nonprofit purposes absent such expenses. The commission
11 may also take into account, in its discretion, other factors,
12 including but not limited to, the local prevailing wage scale and
13 whether charitable purposes are benefited by the activities;

14 (17) To authorize, require, and issue for a period not to exceed
15 one year such licenses or permits, for which the commission may by
16 rule provide, to any person to work for any operator of any gambling
17 activity authorized by this chapter in connection with that activity,
18 or any manufacturer, supplier, or distributor of devices for those
19 activities in connection with such business. The commission may
20 authorize the director to temporarily issue or suspend licenses
21 subject to final action by the commission. The commission shall not
22 require that persons working solely as volunteers in an authorized
23 activity conducted by a bona fide charitable or bona fide nonprofit
24 organization, who receive no compensation of any kind for any purpose
25 from that organization, and who have no managerial or supervisory
26 responsibility in connection with that activity, be licensed to do
27 such work. The commission may require that licensees employing such
28 unlicensed volunteers submit to the commission periodically a list of
29 the names, addresses, and dates of birth of the volunteers. If any
30 volunteer is not approved by the commission, the commission may
31 require that the licensee not allow that person to work in connection
32 with the licensed activity;

33 (18) To publish and make available at the office of the
34 commission or elsewhere to anyone requesting it a list of the
35 commission licensees, including the name, address, type of license,
36 and license number of each licensee;

37 (19) To establish guidelines for determining what constitutes
38 active membership in bona fide nonprofit or charitable organizations
39 for the purposes of this chapter;

1 (20) To renew the license of every person who applies for renewal
2 within six months after being honorably discharged, removed, or
3 released from active military service in the armed forces of the
4 United States upon payment of the renewal fee applicable to the
5 license period, if there is no cause for denial, suspension, or
6 revocation of the license;

7 (21) To authorize, require, and issue, for a period not to exceed
8 one year, such licenses as the commission may by rule provide, to any
9 person, association, or organization that engages in any sports
10 wagering-related services for use within this state for sports
11 wagering activities authorized by this chapter. The commission may
12 authorize the director to temporarily issue or suspend licenses
13 subject to final action by the commission;

14 (22) To issue licenses under subsections (1) through (4) of this
15 section that are valid for a period of up to eighteen months, if it
16 chooses to do so, in order to transition to the use of the business
17 licensing services program through the department of revenue; and

18 (23) To perform all other matters and things necessary to carry
19 out the purposes and provisions of this chapter.

20 NEW SECTION. **Sec. 9.** A new section is added to chapter 9.46 RCW
21 to read as follows:

22 Bona fide charitable or nonprofit organizations authorized to
23 conduct activities under this chapter may offer raffle tickets
24 purchased as part of a multiple ticket package to be purchased at a
25 discount. The organization may offer different levels of discounts
26 based on the volume of tickets sold in multiple packages.

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