

# HOUSE BILL REPORT

## EHB 1053

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### As Passed Legislature

**Title:** An act relating to raffle ticket prices.

**Brief Description:** Concerning raffle ticket prices.

**Sponsors:** Representatives Moeller, Williams, Conway, Wood, Chase and Hunt.

#### **Brief History:**

##### **Committee Activity:**

Commerce & Labor: 1/20/09 [DP].

##### **Floor Activity**

Passed House: 2/27/09, 93-1.

Passed Senate: 4/8/09, 43-3.

Passed Legislature.

#### **Brief Summary of Engrossed Bill**

- Raises the maximum price of a raffle ticket from \$25 to \$100.

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### HOUSE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass. Signed by 7 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, 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 must meet other requirements. The Washington State Gambling Commission (Gambling Commission) regulates raffles.

A raffle may be conducted as a licensed or unlicensed raffle. A license is required: (1) if the gross revenue from all gambling fundraising conducted by the organization is more than

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\$5,000 per year; (2) if tickets are sold by someone other than a member of the organization; (3) if tickets are sold at a discount; (4) if 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 Engrossed Bill:**

The maximum price of a raffle ticket is raised from \$25 to \$100.

**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) The Legislature no longer needs to be involved in setting limits on raffle prices. The Gambling Commission can decide on the limit. The price of a raffle ticket has not changed in some time. This bill will make it easier for faith-based and nonprofit organizations to raise funds and continue their good work. People will have an incentive to buy higher priced tickets because they will have a better chance of winning as fewer tickets will need to be sold. An organization could specify that a minimum number of tickets be sold. The Gambling Commission gets requests to raise the limit.

(Neutral) Raising the limit could help organizations raise money. On the other hand, a higher ticket price may put an organization at risk because it must still give the prize away even if it does not sell enough tickets.

(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.