



### Rule Petition to Amend

WAC 230-11-065 Raffle prizes.

WAC 230-11-067 Requesting commission approval prior to offering raffle prizes exceeding \$40,000 per prize or \$300,000 in a license year.

**SEPTEMBER 2023 – Commission Review**  
**JULY 2023 – Rule-Making Petition Received**

Tab 8: SEPTEMBER 2023 Commission Meeting	Statutory Authority 9.46.070
<b>Who Proposed the Rule Change?</b>	
<p>Alex Baier, on behalf of Rocky Mountain Elk Foundation, Olympia, WA Tiffany Brace, on behalf of Nonprofit Association of Washington, Seattle, WA Keely Hopkins, on behalf of Congressional Sportsmen’s Foundation, Vancouver, WA Matt Little, on behalf of Ducks Unlimited, Vancouver, WA Nello Picinich, on behalf of Coastal Conservation Association, Vancouver, WA</p>	
<b>Background</b>	
<p>Several nonprofits operating in Washington state have proposed multiple amendments to rules related to nonprofits and raffles. We have split the petition into three separate rules packages: 1) the suggested amendments on which the Commission may want to initiate rulemaking; 2) the suggested amendments on which the Commission may want to deny petitioners’ request; and 3) the suggested amendment that staff believes is a policy question on which the Commissioners should decide. This rules package is the <b>third part of the package</b>.</p>	
<p>The petitioners ask that the thresholds in WAC 230-11-067 be increased so the additional record keeping and Commission approvals commence at higher levels than the current \$40,000 per prize or \$300,000 in a license year. If the thresholds cannot be fully adjusted for inflation, petitioners ask if the thresholds could be raised to \$80,000 per prize or \$500,000 in a license year.</p>	
<p>The original rule was adopted in April 1983 when the Commission established \$40,000 as the cap on a single raffle prize, and \$80,000 as the cap on raffle prizes in a single year. The Commission could permit a licensee to exceed these limits on specific occasions if “good cause” was shown.</p>	
<p>WAC 230-11-065 was amended in 2010 to establish in a new rule (WAC 230-11-067) requiring submission of detailed raffle plan for Commissioner review and approval if a single raffle prize exceeded \$40,000 or \$80,000 annually. The new rule was amended in 2012 when the annual prize threshold that would trigger the need for Commission approval went from an \$80,000 cap to \$300,000. The threshold was also changed in WAC 230-11-065. The 2012 amendment also added a list of items licensees must submit with their plan to exceed the \$300,000 annual prize limit.</p>	
<p>Attachments:</p>	
<ul style="list-style-type: none"><li>• Petition</li><li>• WAC 230-11-065</li><li>• WAC 230-11-067</li></ul>	

### **Policy Considerations**

The \$40,000 per prize threshold and the \$300,000 in a calendar year threshold that trigger submission of a plan and Commission approval in WAC 230-11-067 exist to protect the charitable or nonprofit organization by making sure they have a well-developed plan to ensure success.

### **Staff Recommendation**

Under the requirements of the Administrative Procedure Act, the Commission must take action on a petition within 60 days of receiving it. Your options are to:

- Initiate rule-making proceedings for further discussion; or
- Deny the petition in writing, a) stating the reasons for the denial, specifically addressing the concerns stated in the petition, or b) indicating alternative means by which the agency will address the concerns raised in the petition.