

## McLean, Lisa (GMB)

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**From:** Matt Little <mlittle@ducks.org>  
**Sent:** Tuesday, September 12, 2023 11:21 AM  
**To:** McLean, Lisa (GMB); tiffany@nonprofitwa.org; abaier@rmef.org; eric.demers@pediatrix.com; Kirk A. Struble; nello.picinich@ccawashington.org; Keely Hopkins; Laura Pierce  
**Cc:** Nicks, Jim (GMB); Melville, Jim (GMB); McGregor, Bill (GMB)  
**Subject:** RE: Follow up on June 29 Meeting

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### External Email

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Yes, thank you Lisa. As we discussed on the phone, it sounds like updating all three of those WACs re: ticket pricing would make the most sense. Thank you for catching that and see you on Thursday.

Best,  
Matt

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Matt Little  
Director of DU Public Policy, Western Region  
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(541) 678-2322



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**From:** McLean, Lisa (GMB) <lisa.mclean@wsgc.wa.gov>  
**Sent:** Tuesday, September 12, 2023 11:10 AM  
**To:** Matt Little <mlittle@ducks.org>; tiffany@nonprofitwa.org; abaier@rmef.org; eric.demers@pediatrix.com; Kirk A. Struble <kstruble@ducks.org>; nello.picinich@ccawashington.org; Keely Hopkins <khopkins@congressionalsportsmen.org>; Laura Pierce <laura@nonprofitwa.org>  
**Cc:** Nicks, Jim (GMB) <jim.nicks@wsgc.wa.gov>; Melville, Jim (GMB) <jim.melville@wsgc.wa.gov>; McGregor, Bill (GMB) <bill.mcgregor@wsgc.wa.gov>  
**Subject:** RE: Follow up on June 29 Meeting

**CAUTION:** - This email originated outside of Ducks Unlimited.

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Hi Matt –

Based on our telephone conversation yesterday, your request to change WAC 230-11-085, raising the ticket price limits from \$10 for individual tickets and \$25 for a discounted package of tickets to \$25 and \$100, respectively, may have impacts on WAC 230-11-086 and WAC 230-11-087. Are you wanting to amend your petition to include these additional WACs?

If so, please respond affirmatively to this email so that staff can amend its summary to the Commissioners.

Thanks,  
Lisa

Lisa C McLean  
Legislative and Policy Manager  
Washington State Gambling Commission  
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Olympia, WA 98504  
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**From:** Matt Little <[mlittle@ducks.org](mailto:mlittle@ducks.org)>  
**Sent:** Thursday, July 20, 2023 12:21 PM  
**To:** McLean, Lisa (GMB) <[lisa.mclean@wsgc.wa.gov](mailto:lisa.mclean@wsgc.wa.gov)>; [tiffany@nonprofitwa.org](mailto:tiffany@nonprofitwa.org); [abaier@rmef.org](mailto:abaier@rmef.org); [eric.demers@pediatrix.com](mailto:eric.demers@pediatrix.com); Kirk A. Struble <[kstruble@ducks.org](mailto:kstruble@ducks.org)>; [nello.picinich@ccawashington.org](mailto:nello.picinich@ccawashington.org); Keely Hopkins <[khopkins@congressionalsportsmen.org](mailto:khopkins@congressionalsportsmen.org)>; Laura Pierce <[laura@nonprofitwa.org](mailto:laura@nonprofitwa.org)>  
**Cc:** Nicks, Jim (GMB) <[jim.nicks@wsgc.wa.gov](mailto:jim.nicks@wsgc.wa.gov)>; Melville, Jim (GMB) <[jim.melville@wsgc.wa.gov](mailto:jim.melville@wsgc.wa.gov)>; McGregor, Bill (GMB) <[bill.mcgregor@wsgc.wa.gov](mailto:bill.mcgregor@wsgc.wa.gov)>  
**Subject:** RE: Follow up on June 29 Meeting

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External Email

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Hi friends,

Our request is for the Washington State Gambling Commission to consider changes to the rules for charitable nonprofit fundraising as we discussed at the last meeting and are summarized in the attached document. We were very pleased with the conversation we had with Bill and your team and it sounded like many of our requests would have a favorable hearing in front of the Commission.

We don't believe our groups, which only represent a subset of the nonprofits affected by these rules, need a training unless you think that will help us collectively determine which rule requests we can bring to the next Commission meeting.

Please advise and thank you for your time and consideration.

Best,  
Matt  
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Matt Little

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**From:** McLean, Lisa (GMB) <[lisa.mclean@wsgc.wa.gov](mailto:lisa.mclean@wsgc.wa.gov)>  
**Sent:** Friday, July 14, 2023 11:36 AM  
**To:** Matt Little <[mlittle@ducks.org](mailto:mlittle@ducks.org)>; [tiffany@nonprofitwa.org](mailto:tiffany@nonprofitwa.org); [abaier@rmef.org](mailto:abaier@rmef.org); [eric.demers@pediatrix.com](mailto:eric.demers@pediatrix.com); Kirk A. Struble <[kstruble@ducks.org](mailto:kstruble@ducks.org)>; [nello.picinich@ccawashington.org](mailto:nello.picinich@ccawashington.org); Keely Hopkins <[khopkins@congressionalsportsmen.org](mailto:khopkins@congressionalsportsmen.org)>  
**Cc:** Nicks, Jim (GMB) <[jim.nicks@wsgc.wa.gov](mailto:jim.nicks@wsgc.wa.gov)>; Melville, Jim (GMB) <[jim.melville@wsgc.wa.gov](mailto:jim.melville@wsgc.wa.gov)>; McGregor, Bill (GMB) <[bill.mcgregor@wsgc.wa.gov](mailto:bill.mcgregor@wsgc.wa.gov)>  
**Subject:** RE: Follow up on June 29 Meeting

**CAUTION:** - This email originated outside of Ducks Unlimited.

Oops, I wrote Alex's email wrong and don't want him to get left off the email string should someone "reply all"...

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**From:** McLean, Lisa (GMB)  
**Sent:** Friday, July 14, 2023 11:34 AM  
**To:** Matt Little <[mlittle@ducks.org](mailto:mlittle@ducks.org)>; [tiffany@nonprofitwa.org](mailto:tiffany@nonprofitwa.org); [abaier@remef.org](mailto:abaier@remef.org); [eric.demers@pediatrix.com](mailto:eric.demers@pediatrix.com); [kstruble@ducks.org](mailto:kstruble@ducks.org); [nello.picinich@ccawashington.org](mailto:nello.picinich@ccawashington.org); Keely Hopkins <[khopkins@congressionalsportsmen.org](mailto:khopkins@congressionalsportsmen.org)>  
**Cc:** Nicks, Jim (GMB) <[jim.nicks@wsgc.wa.gov](mailto:jim.nicks@wsgc.wa.gov)>; Melville, Jim (GMB) <[jim.melville@wsgc.wa.gov](mailto:jim.melville@wsgc.wa.gov)>; McGregor, Bill (GMB) <[bill.mcgregor@wsgc.wa.gov](mailto:bill.mcgregor@wsgc.wa.gov)>  
**Subject:** Follow up on June 29 Meeting

Hi all –

To follow up on our meeting at the end of June, WSGC Special Agent Supervisor Bill McGregor remains open to organizing an advanced training for you and your colleagues. To organize that training, it would be most helpful for him to receive a written list of concerns from you all so that he can research the background of certain rules and be prepared to give you information about the context of the rule and how to apply it.

I will drop out of this conversation and suggest that you connect directly with Bill (with a cc to Agent in Charge (Regulation) Jim Nicks and Special Agent (Regulation) Jim Melville) so that he can begin working on the training.

With best regards,  
Lisa

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# Washington nonprofit rules request changes for WA Gambling Commission

July 2023

## KEEPING UP WITH INFLATION

### WAC 230-11-100

(1) Licensees conducting raffles with gross gambling receipts of **fifty thousand dollars** or less in their previous license year and organizations conducting unlicensed raffles under the authority of RCW 9.46.0315 or 9.46.0321 must keep a record by month of the following:

- (a) Gross receipts; and
- (b) Prizes paid; and
- (c) Net income; and
- (d) Documentation of expenses; and
- (e) Documentation of how the proceeds were used.

(2) Licensees conducting raffles with gross gambling receipts over **fifty thousand dollars** in their initial license year, with gross gambling receipts over **fifty thousand dollars** in their previous license year, offering prizes that require approval per WAC 230-11-067, or conducting raffles using alternative drawing formats must prepare a detailed record for each raffle they conduct. Licensees must:

- (a) Record all data required in the standard format we provide; and
- (b) Maintain the following:
  - (i) Validated deposit receipts for each deposit of raffle proceeds; and
  - (ii) All winning tickets; and
  - (iii) Name, address, and telephone number of all winners of a prize with a fair market value of more than **fifty dollars**; and
  - (iv) **All ticket stubs for raffles** that participants are not required to be present at the drawing; and
  - (v) All unsold tickets for individual raffles for which gross gambling receipts exceed **five thousand dollars**; and
  - (vi) Invoices and other documentation recording the purchase or receipt of prizes; and
  - (vii) Invoices and other documentation recording the purchase of tickets and other expenses of the raffle; and
- (c) Complete all records no later than **thirty days following the drawing.**"

### Requests:

- Adjust dollar amounts upward to fully account for inflation since time of inception and/or include an annual or periodic increase to adjust for inflation
- Adjust Section 1(b)(iii) from \$50 to \$600 to align with IRS requirements
- Eliminate Section 2(b)(iv)

### WAC 230-11-067:

Requesting commission approval prior to offering raffle prizes exceeding **forty thousand dollars** per prize or **three hundred thousand** dollars in a license year.

### Requests:

- As above, can we adjust these dollar figures to account for inflation since inception?
  - If unable to justify a full adjustment for inflation, perhaps consider \$80,000 and \$500,00 respectively

### WAC 230-11-085:

(1) Licensees may use modified ticket pricing plans at members-only raffles when gross revenues do not exceed five thousand five dollars. One type of modified pricing plan is a penny raffle. A penny raffle is a raffle where licensees sell five hundred consecutively numbered tickets. Participants randomly choose tickets and pay the consecutive number of the ticket multiplied by a predetermined cost, for instance, one penny.

(2) In modified pricing plans, licensees may sell tickets to enter a raffle for different values, not to exceed **ten dollars** for a single ticket, if the licensee:

(a) Discloses to the participants the pricing plan before selling them a ticket to participate. The licensee must disclose to the participant the total number of tickets in the population available and the number of tickets at each price level; and

(b) Allows participants to randomly select their ticket from the population of remaining tickets and pay the amount printed on the ticket they select; and

(c) Establishes records for an adequate audit trail to determine gross gambling receipts; and

(d) Holds no more than two such drawings during a meeting or event; and

(e) Sells multiple tickets to enter one or more drawings as a package and the total price of the package must not exceed **twenty-five dollars**.

**Request:**

- As above, increase maximum price for single ticket from \$10 to \$25 (section 2) and the maximum price of a package of tickets from \$25 to \$100 (section 2(e)). This would serve to both help maximum ticket prices keep up with inflation as well as allowing better and more valuable prizes to be used in such raffles.

WAC 230-11-014:

(1) Raffle tickets must not be sold for more than **one hundred dollars** each; and

(2) Enhanced raffle tickets must not be sold for more than two hundred fifty dollars each.

**Request:**

- As above, increase to \$250 and allow for inflation annually/periodically.

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## **EASING RECORD KEEPING BURDEN**

WAC 230-07-130

(1) Charitable or nonprofit licensees, except agricultural fairs, must maintain records which clearly show how the licensee used or disbursed the funds from each licensed activity. These records must provide an audit trail satisfactory for us to verify that the funds were used for the licensees' stated purpose(s). These records must include, at least, canceled checks for the disbursements. (2) Charitable or nonprofit licensees must keep these records for **three years** from the end of the license year for which the record was created.

WAC 230-11-105

(1) Records for unlicensed raffles must be kept for one year following the date of the raffle drawing.

(2) Records for licensed raffles must be kept for **three years** from the end of the licensees' fiscal year in which the raffle was completed.

**Request:**

- Change record-keeping from 3 years to 1

WAC 230-11-100

(2) Licensees conducting raffles with gross gambling receipts over fifty thousand dollars in their initial license year, with gross gambling receipts over fifty thousand dollars in their previous license year, offering prizes that require approval per WAC [230-11-067](#), or conducting raffles using alternative drawing formats must prepare a detailed record for each raffle they conduct. Licensees must:

(a) Record all data required in the standard format we provide; and

(b) Maintain the following:

(i) Validated deposit receipts for each deposit of raffle proceeds; and

(ii) All winning tickets; and

(iii) Name, address, and telephone number of all winners of a prize with a fair market value of more than fifty dollars; and

(iv) All ticket stubs for raffles that participants are not required to be present at the drawing; and

(v) All unsold tickets for individual raffles for which gross gambling receipts exceed five thousand dollars; and

(vi) Invoices and other documentation recording the purchase or receipt of prizes; and

(vii) Invoices and other documentation recording the purchase of tickets and other expenses of the raffle; and

(c) Complete all records no later than thirty days following the drawing.

**Request:**

- Keep only winning tickets

WAC 230-11-100

(2) Licensees conducting raffles with gross gambling receipts over fifty thousand dollars in their initial license year, with gross gambling receipts over fifty thousand dollars in their previous license year, offering prizes that require approval per WAC [230-11-067](#), or conducting raffles using alternative drawing formats must prepare a detailed record for each raffle they conduct. Licensees must:

(a) Record all data required in the standard format we provide; and

(b) Maintain the following:

(i) Validated deposit receipts for each deposit of raffle proceeds; and

(ii) All winning tickets; and

(iii) Name, address, and telephone number of all winners of a prize with a fair market value of more than fifty dollars; and

(iv) All ticket stubs for raffles that participants are not required to be present at the drawing; and

(v) All unsold tickets for individual raffles for which gross gambling receipts exceed five thousand dollars; and

(vi) Invoices and other documentation recording the purchase or receipt of prizes; and

(vii) Invoices and other documentation recording the purchase of tickets and other expenses of the raffle; and

(c) Complete all records no later than thirty days following the drawing.

**Request:**

- Allow quarterly record-keeping/report by amend section 2(c) from, "...no later than thirty days following the drawing," to, "no later than thirty days following the quarter in which the drawing took place." This better aligns the record keeping requirement with the required quarterly report filings.

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**MEMBERS-ONLY RAFFLES ALLOWING FOR SPOUSES/GUESTS**

WAC 230-11-075:

The total number of guests participating in a raffle must not exceed **twenty-five percent** of the total attendance of the meeting. The organization must maintain records to show compliance with this requirement.

**Request:**

- Increase cap on guests from 25% to 50% to allow for spouses/partners/guests participating in members only raffles.

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## CREDIT CARD TRANSACTIONS AT END OF EVENT

WAC 230-06-035:

(1) Licensees, employees, or members must not offer or give credit, loans, or gifts to any person playing in an authorized gambling activity or which makes it possible for any person to play in an authorized gambling activity.

(2) Gifts are items licensees give to their customers. Licensees must not connect these gifts to gambling activities we regulate unless the gifts are:

(a) Gambling promotions; or

(b) Transportation services to and from gambling activities; or

(c) Free or discounted food, drink, or merchandise which:

(i) Costs less than \$500 per individual item; and

(ii) Must not be traded back to you for cash; and

(iii) Must not give a chance to participate further in an authorized gambling activity.

(3) You must collect the price required to participate in the gambling activity in full **before** allowing someone to participate. Authorized payment methods include cash, check, gift certificate, gift card, or debit card.

(4) If the price paid for the opportunity to play a punch board or pull-tab series is \$10 or less, licensees may collect the price immediately after the play is completed.

(5) If a charitable or nonprofit organization has a regular billing system for all of the activities of its members, it may use its billing system in connection with the playing of any licensed activities as long as the organization limits play to full and active members of its organization.

(6) Charitable or nonprofit organizations may allow credit cards, issued by a state regulated or federally regulated financial institution, for payment to participate in raffles.

**Request:**

- Consider allowing for 1 credit/debit card transaction **at the end** of an event (i.e. for raffle tickets purchased during the event, as well as live and silent auction items). This would serve to both make conducting raffles during an event more streamlined and simple, as well as helping to ease the financial burden on non-profits in regards to credit card fees imposed by credit card companies.
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## RAFFLE TICKET SALES ASSOCIATES

WAC 230-11-035:

(1) Organizations must not pay members or volunteers for selling tickets or managing or operating a raffle, unless the person is a full-time or part-time employee of the organization with duties other than selling tickets or managing or operating raffles.

(2) Licensees may provide members or volunteers with noncash incentives for selling tickets if the licensee:

(a) Bases the incentives on the number of tickets sold; and

(b) Gives incentives that do not exceed five percent of the gross gambling receipts of the raffle; and

(c) Maintains a record of the name, address, and telephone number of all persons receiving incentives.

### Requests:

- To comply with RCW and the WAC above, can we pay raffle ticket sales associates if they are paid via organizational revenue only, separate from raffle revenue (as we do for all our fundraising staff)
- Better define noncash incentives above or limit them only to organizational revenue, not from raffle proceeds

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## TECHNOLOGY – ALLOWING TELEPHONE PAYMENTS, PAYMENTS BY MAIL, AND YOUTH PARTICIPATION

(No WAC found, but these prohibitions below are listed [here](#) on page two under, “Selling tickets”:

• Tickets must be paid for in full by cash, check, or credit card. No IOU's.

• Tickets cannot be sold over the Internet or telephone.

• Tickets and/or payment for tickets cannot be mailed.

• Individuals under 18 years of age may sell tickets, only if (WAC 230-06-010):

- Your organization's primary purpose is to develop youth; and
- At least three members of your organization, age 18 or older, supervise the raffle; and
- A member, 18 years or older, manages the raffle.

### Requests:

- Consider allowing for ticket sales over the telephone (which is currently considered a “wire transfer”). Credit cards are already a permissible form of payment for raffle tickets for non-profits; taking a credit card payment over the phone is functionally the same as taking that same credit card payment face to face.
- Consider allowing for non-profits to be able to accept an order form for raffle tickets via mail, provided that physical tickets or ticket stubs are not sent via mail. This is already being permitted in WA in the case of both the WA Wild Sheep Foundation's Rocky Mountain Bighorn Sheep Raffle (info available on their website, [washingtonwsf.org](http://washingtonwsf.org)) as well as the “Buckrun Mule Deer Raffle Contest,” the information about which and the order form for is available to the public in the Washington Big Game Hunting Regulations at the bottom of page 3. This particular ad/order form also states, “Buy 5 entries, get 1 free!” which

seems to also be out of compliance in regards to offering free tickets or offering discounted pricing plans for multiple ticket purchases.

- Allow college clubs or youth to sell tickets at their fundraising events if organizations have a charitable mission, not just to “develop youth”

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## TICKET BUNDLING AND DISCOUNT PLANS

### WAC 230-11-025:

- (1) Licensees may put tickets together in a bundle and sell them at a discount level if they:
  - (a) Create the discount levels before selling any raffle tickets; and*
  - (b) Do not change the discount levels during the raffle; and*
  - (c) Make single nondiscounted tickets available to all participants; and*
  - (d) Use up to three discount levels for each raffle; and**
- (2) Booklets of bundled discounted tickets must contain the number of tickets named in the discount levels; and*
- (3) Licensees must not remove tickets from a booklet to sell them individually; and*
- (4) Each booklet of bundled tickets must have the following information printed on the cover:
  - (a) A description of the discount levels; and*
  - (b) The number of tickets in the booklet; and*
  - (c) The total cost of the booklet; and*
  - (d) A consecutive number; and**
- (5) Licensees must establish controls and accounting procedures necessary to determine gross gambling receipts from ticket sale*

### **Requests:**

- Make establishing discount plans simpler by removing the pre-bundled booklet requirement or allow for bundled tickets to be broken out and sold individually at full price.
  - Raffles are a gambling activity and gamblers like to know their odds. If making odds known and available to the public, we cannot do discount plans because of the requirement of pre-bundling combined with the restriction of not being able to break out tickets from a bundle.
  - Extra tickets would have to be available if the goal is to sell say 100 tickets. We need to sell 100 to make our margin so can't simply set aside a portion of the tickets that are bundled to be part of the discount plan tickets in the hope that we can sell them all when there would be people who would want to buy at full price. The opposite is also true, we could sell out of all the pre-made bundles, have the discount plan advertised per raffle rules, and run into the situation where people refuse to buy a single ticket because we are refusing to sell the advertised bundle.