SENATE BILL REPORT
HB 1824

As of March 20, 2023

Title: An act relating to authorizing bona fide charitable or nonprofit organizations to conduct shooting sports and activities sweepstakes.

Brief Description: Authorizing bona fide charitable or nonprofit organizations to conduct shooting sports and activities sweepstakes.

Sponsors: Representatives Eslick, Chapman and Volz.

Brief History: Passed House: 3/6/23, 90-5.
Committee Activity: Business, Financial Services, Gaming & Trade: 3/21/23.

Brief Summary of Bill

- Authorizes shooting sports and activities sweepstakes by bona fide charitable or nonprofit organizations, permitting wagers of money, when the outcome of the sweepstakes is dependent on the scores or the shooting abilities of a shooting sports contest between individual shooters or teams of shooters, when conducted in one of three ways.
- Defines shooting sports as activities such as target shooting, skeet, trap, sporting clays, five stand, and archery.
- Establishes parameters around three authorized methods of conducting shooting sports and activities sweepstakes.

SENATE COMMITTEE ON BUSINESS, FINANCIAL SERVICES, GAMING & TRADE

Staff: Clinton McCarthy (786-7319)

Background: If an activity meets the definition of gambling in the Gambling Act, it is prohibited unless authorized in law. Gambling is defined as staking or risking something of value upon the outcome of a contest of chance or a future contingent event not under the

---

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

person's control or influence, upon an agreement or understanding that the person or someone else will receive something of value in the event of a certain outcome. Specific activities are excluded from the definition, such as fishing derbies, pari-mutuel betting on horse racing regulated under other statutes, and bona fide business transactions valid under the law of contracts, including futures contracts for commodities. The Gambling Act expressly authorizes certain gambling activities or specifies that certain activities do not constitute gambling. Golfing sweepstakes are one of these activities.

Golf sweepstakes were authorized for bona fide charitable or nonprofit organizations to conduct golfing sweepstakes in 1997, without having to obtain a permit or license to do so. These games can be conducted in three different ways.

- participants buy tickets on players in a golfing contest to win, place, or show;
    1. participants holding these tickets on the three winners may receive a payoff similar to a perimutuel system;
    2. moneys placed on wagers are supposed to be used primarily as winners' proceeds except for defraying the costs of conducting the sweepstakes or otherwise used to carry out the purpose of the bona fide charitable or nonprofit organizations;
- participants pay a sum of money into a common fund on the basis of attaining a stated number of points ascertainable from the score of participants, and those participants attaining such stated number of points share equally in the moneys in the common fund, without any percentage of moneys going to the sponsoring organizations; or
- an auction is held where persons may bid on the players or teams of players in the golfing contest, and the person placing the highest bid on the player or team that wins the golfing contest receives the proceeds of the auction less the moneys needed to defray the game or otherwise carry out the purposes of the bona fide charitable or nonprofit organizations.

Summary of Bill: The Legislature authorizes shooting sports and activities sweepstakes for bona fide charitable or nonprofit organizations. Shooting sports is defined to include sports and activities such as target shooting, skeet, trap, sporting clays, five stand, and archery. Much like golf sweepstakes contests authorized by the Legislature, these types of contests can be conducted in three different ways:

- participants buy tickets on players in a shooting contest to "win, place, or show."
    1. participants holding these tickets on the three winners may receive a payoff similar to a perimutuel system;
    2. moneys placed on wagers are supposed to be used primarily as winners' proceeds except for defraying the costs of conducting the sweepstakes or otherwise used to carry out the purpose of the bona fide charitable or nonprofit organizations;
- participants pay a sum of money into a common fund on the basis of attaining a stated number of points ascertainable from the score of participants, and those participants attaining such stated number of points share equally in the moneys in the common fund, without any percentage of moneys going to the sponsoring organizations; or

- an auction is held where persons may bid on the players or teams of players in the golfing contest, and the person placing the highest bid on the player or team that wins the golfing contest receives the proceeds of the auction less the moneys needed to defray the game or otherwise carry out the purposes of the bona fide charitable or nonprofit organizations.

Participation in these contests is limited to members of the sponsoring organization and their guests.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.