

State of Arizona
House of Representatives
Fifty-second Legislature
First Regular Session
2015

CHAPTER 278
HOUSE BILL 2182

AN ACT

AMENDING SECTION 13-3302, ARIZONA REVISED STATUTES; RELATING TO GAMBLING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 13-3302, Arizona Revised Statutes, is amended to
3 read:
4 13-3302. Exclusions
5 A. The following conduct is not unlawful under this chapter:
6 1. Amusement gambling.
7 2. Social gambling.
8 3. Regulated gambling if the gambling is conducted in accordance with
9 the statutes, rules or orders governing the gambling.
10 4. Gambling that is conducted at state, county or district fairs and
11 that complies with section 13-3301, paragraph 1, subdivision (d).
12 B. An organization that has qualified for an exemption from taxation
13 of income under section 43-1201, SUBSECTION A, paragraph 1, 2, 4, 5, 6, 7, 10
14 or 11 may conduct a raffle that is subject to the following restrictions:
15 1. The nonprofit organization shall maintain this status and no
16 member, director, officer, employee or agent of the nonprofit organization
17 may receive any direct or indirect pecuniary benefit other than being able to
18 participate in the raffle on a basis equal to all other participants.
19 2. The nonprofit organization has been in existence continuously in
20 this state for a five year period immediately before conducting the raffle.
21 3. No person except a bona fide local member of the sponsoring
22 organization may participate directly or indirectly in the management, sales
23 or operation of the raffle.
24 4. Nothing in paragraph 1 or 3 of this subsection prohibits:
25 (a) A licensed general hospital, a licensed special hospital or a
26 foundation established to support cardiovascular medical research that is
27 exempt from taxation of income under section 43-1201, SUBSECTION A, paragraph
28 4 or section 501(c)(3) of the internal revenue code from contracting with an
29 outside agent who participates in the management, sales or operation of the
30 raffle if the proceeds of the raffle are used to fund medical research,
31 graduate medical education or indigent care and the raffles are conducted no
32 more than three times per calendar year. The maximum fee for an outside
33 agent shall not exceed fifteen ~~per cent~~ PERCENT of the net proceeds of the
34 raffle.
35 (b) AN ENTITY THAT IS EXEMPT FROM TAXATION OF INCOME UNDER SECTION
36 43-1201, SUBSECTION A, PARAGRAPH 4 OR SECTION 501(c)(3) OF THE INTERNAL
37 REVENUE CODE AND THAT HAS AT LEAST A TWENTY-YEAR HISTORY OF PROVIDING
38 COMPREHENSIVE SERVICES TO PREVENT CHILD ABUSE AND TO PROVIDE SERVICES AND
39 ADVOCACY FOR VICTIMS OF CHILD ABUSE FROM CONTRACTING WITH AN OUTSIDE AGENT
40 WHO PARTICIPATES IN THE MANAGEMENT, SALES OR OPERATION OF THE RAFFLE IF THE
41 PROCEEDS OF THE RAFFLE ARE USED TO PROVIDE COMPREHENSIVE SERVICES TO PREVENT
42 CHILD ABUSE AND TO PROVIDE SERVICES AND ADVOCACY FOR VICTIMS OF CHILD ABUSE
43 AND THE RAFFLES ARE CONDUCTED NO MORE THAN THREE TIMES PER CALENDAR YEAR.
44 THE MAXIMUM FEE FOR AN OUTSIDE AGENT SHALL NOT EXCEED FIFTEEN PERCENT OF THE
45 NET PROCEEDS OF THE RAFFLE.

1 C. A state, county or local historical society designated by this
2 state or a county, city or town to conduct a raffle may conduct the raffle
3 subject to the following conditions:

4 1. No member, director, officer, employee or agent of the historical
5 society may receive any direct or indirect pecuniary benefit other than being
6 able to participate in the raffle on a basis equal to all other participants.

7 2. The historical society must have been in existence continuously in
8 this state for a five year period immediately before conducting the raffle.

9 3. No person except a bona fide local member of the sponsoring
10 historical society may participate directly or indirectly in the management,
11 sales or operation of the raffle.

12 D. A nonprofit organization that is a booster club, a civic club or a
13 political club or political organization as defined in section 16-901 may
14 conduct a raffle that is subject to the following restrictions:

15 1. No member, director, officer, employee or agent of the club or
16 organization may receive any direct or indirect pecuniary benefit other than
17 being able to participate in the raffle on a basis equal to all other
18 participants.

19 2. No person except a bona fide local member of the sponsoring club or
20 organization may participate directly or indirectly in the management, sales
21 or operation of the raffle.

22 3. The maximum annual benefit that the club or organization receives
23 for all raffles is ten thousand dollars.

24 4. The club or organization is organized and operated exclusively for
25 pleasure, recreation or other nonprofit purposes and no part of the club's or
26 organization's net earnings inures to the personal benefit of any member,
27 director, officer, employee or agent of the club or organization.

APPROVED BY THE GOVERNOR APRIL 13, 2015.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 14, 2015.