## State of Washington

61st Legislature
2009 Regular Session
By Representatives Ericks, Condotta, Springer, Newhouse, Eddy, Armstrong, and Conway

Read first time 02/11/09. Referred to Committee on Commerce \& Labor.

AN ACT Relating to registration of lottery tickets and shares; and amending RCW 67.70.040.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Sec. 1. RCW 67.70.040 and 2006 c 290 s 3 are each amended to read as follows:

The commission shall have the power, and it shall be its duty:
(1) To adopt rules governing the establishment and operation of a state lottery as it deems necessary and desirable in order that such a lottery be initiated at the earliest feasible and practicable time, and in order that such lottery produce the maximum amount of net revenues for the state consonant with the dignity of the state and the general welfare of the people. Such rules shall include, but shall not be limited to, the following:
(a) The type of lottery to be conducted which may include the selling of tickets or shares, but such tickets or shares may not be sold over the internet. Tickets and shares that allow for voluntary registration of individual tickets or shares for additional prizes at no additional cost that may be done via the United states postal service may also be registered via the internet and are not considered
a sale. The use of electronic or mechanical devices or video terminals which allow for individual play against such devices or terminals shall be prohibited. An affirmative vote of sixty percent of both houses of the legislature is required before offering any game allowing or requiring a player to become eligible for a prize or to otherwise play any portion of the game by interacting with any device or terminal involving digital, video, or other electronic representations of any game of chance, including scratch tickets, pull-tabs, bingo, poker or other cards, dice, roulette, keno, or slot machines. Approval of the legislature shall be required before entering any agreement with other state lotteries to conduct shared games;
(b) The price, or prices, of tickets or shares in the lottery;
(c) The numbers and sizes of the prizes on the winning tickets or shares;
(d) The manner of selecting the winning tickets or shares, except as limited by (a) of this subsection;
(e) The manner and time of payment of prizes to the holder of winning tickets or shares which, at the director's option, may be paid in lump sum amounts or installments over a period of years;
(f) The frequency of the drawings or selections of winning tickets or shares. Approval of the legislature is required before conducting any online game in which the drawing or selection of winning tickets occurs more frequently than once every twenty-four hours;
(g) Without limit as to number, the type or types of locations at which tickets or shares may be sold;
(h) The method to be used in selling tickets or shares, except as limited by (a) of this subsection;
(i) The licensing of agents to sell or distribute tickets or shares, except that a person under the age of eighteen shall not be licensed as an agent;
(j) The manner and amount of compensation, if any, to be paid licensed sales agents necessary to provide for the adequate availability of tickets or shares to prospective buyers and for the convenience of the public;
(k) The apportionment of the total revenues accruing from the sale of lottery tickets or shares and from all other sources among: (i) The payment of prizes to the holders of winning tickets or shares, which shall not be less than forty-five percent of the gross annual revenue
from such lottery, (ii) transfers to the lottery administrative account created by RCW 67.70.260, and (iii) transfer to the state's general fund. Transfers to the state general fund shall be made in compliance with RCW 43.01.050;
(l) Such other matters necessary or desirable for the efficient and economical operation and administration of the lottery and for the convenience of the purchasers of tickets or shares and the holders of winning tickets or shares.
(2) To ensure that in each place authorized to sell lottery tickets or shares, on the back of the ticket or share, and in any advertising or promotion there shall be conspicuously displayed an estimate of the probability of purchasing a winning ticket.
(3) To amend, repeal, or supplement any such rules from time to time as it deems necessary or desirable.
(4) To advise and make recommendations to the director for the operation and administration of the lottery.

