

Chapter 315-06 WAC

GENERAL LOTTERY RULES

WAC

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DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

315-06-140	Lottery accounts and depositories. [Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-140, filed 10/15/82.] Repealed by 94-03-020, filed 1/7/94, effective 2/9/94. Statutory Authority: RCW 67.70.040.
315-06-150	Assignment of depository. [Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-150, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-150, filed 10/15/82.] Repealed by 94-03-020, filed 1/7/94, effective 2/9/94. Statutory Authority: RCW 67.70.040.
315-06-160	Lottery retailer's identification card. [Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-160, filed 12/16/85. Statutory Authority: RCW 67.70.040 and 67.70.050. 83-05-029 (Order 14), § 315-06-160, filed 2/10/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-160, filed 10/15/82.] Repealed by 94-03-020, filed 1/7/94, effective 2/9/94. Statutory Authority: RCW 67.70.040.
315-06-180	Stolen or lost tickets. [Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-180, filed 12/16/85; 83-19-019 (Order 36), § 315-06-180, filed 9/12/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-180, filed 10/15/82.] Repealed by 94-03-020, filed 1/7/94, effective 2/9/94. Statutory Authority: RCW 67.70.040.

WAC 315-06-010 Operation of the lottery. The director shall conduct only those types of games which are authorized by these rules and meet the criteria set forth herein.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-010, filed 10/15/82.]

WAC 315-06-020 Authorization to sell tickets. Lottery retailers are authorized, as limited by WAC 315-04-140, to sell tickets directly to the public. Liquor stores of the state

liquor control board and the lottery are not required to be licensed as lottery retailers. Liquor agencies of the state liquor control board are required to be licensed as lottery retailers.

[Statutory Authority: RCW 67.70.040. 89-12-042 (Order 116), § 315-06-020, filed 6/1/89; 87-17-012 (Order 103), § 315-06-020, filed 8/10/87; 86-01-060 (Order 83), § 315-06-020, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7 § 4 and 8. 83-03-034 (Order 10), § 315-06-020, filed 1/14/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 (Order 2), § 315-06-020, filed 10/15/82.]

WAC 315-06-030 Lottery retailer's instructions.

Each lottery retailer is to conform to the instructions and requirements established by the director for the delivery and return of tickets, the location and display of lottery materials, the conduct of a specific game, and other lottery business.

[Statutory Authority: RCW 67.70.040. 08-11-043, § 315-06-030, filed 5/14/08, effective 6/14/08; 86-01-060 (Order 83), § 315-06-030, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-030, filed 10/15/82.]

WAC 315-06-035 Instant ticket purchase price and conditions. (1) The lottery retailer's purchase price for each pack of instant tickets shall be the retail price of the pack less the retailer discount authorized by the commission.

(2) Lottery retailers shall make payment to the lottery by electronic funds transfer (EFT).

(3) The director shall establish payment terms for purchase of instant tickets and shall issue instructions for such payments to lottery retailers.

[Statutory Authority: RCW 67.70.040. 08-11-043, § 315-06-035, filed 5/14/08, effective 6/14/08; 94-03-020, § 315-06-035, filed 1/7/94, effective 2/9/94; 89-05-015 (Order 114), § 315-06-035, filed 2/9/89; 86-01-060 (Order 83), § 315-06-035, filed 12/16/85; 85-09-004 (Order 72), § 315-06-035, filed 4/5/85.]

WAC 315-06-040 Disclosure of probability of purchasing a winning ticket. (1) The estimated probability of purchasing a winning ticket shall be conspicuously displayed on:

(a) The tickets for a specific game;

(b) All printed promotional and advertising materials for a specific game, including but not limited to, brochures, posters, billboards, placards, and point-of-sale displays.

(2) The estimated probability of purchasing a winning ticket shall be communicated in television and radio commercials for a specific game.

(3) The estimated probability of purchasing a winning ticket for each category of prize in a specific game shall be conspicuously displayed as part of:

(a) The "how-to-play" brochure which explains the procedures for the lottery's draw games; and

(b) The brochures of instructions to lottery retailers for the conduct of specific scratch games.

(4) The disclosure required by this section shall not apply to generic promotional and advertising materials publicizing the Washington state lottery which do not promote a specific draw game or a specific scratch ticket theme.

[Statutory Authority: RCW 67.70.040. 08-11-043, § 315-06-040, filed 5/14/08, effective 6/14/08; 02-12-065, § 315-06-040, filed 5/31/02, effective 7/1/02; 01-12-040, § 315-06-040, filed 5/30/01, effective 6/30/01; 86-01-060 (Order 83), § 315-06-040, filed 12/16/85; 84-01-004 (Order 42), § 315-06-040, filed 12/8/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-040, filed 10/15/82.]

WAC 315-06-050 Location of sale. Tickets may be sold by any person who is issued a license to act as a lottery retailer at the location specified on the license, subject to the director's authority as set forth in chapter 67.70 RCW, and these rules.

No sales of lottery tickets shall be made on premises used primarily for residential purposes, in or on the property of any educational facility, or facility operated primarily for providing welfare services to the poor or infirmed, or maintained solely for religious worship.

[Statutory Authority: RCW 67.70.040. 08-11-043, § 315-06-050, filed 5/14/08, effective 6/14/08; 86-01-060 (Order 83), § 315-06-050, filed 12/16/85. Statutory Authority: RCW 67.70.040 and 67.70.050. 83-05-029 (Order 14), § 315-06-050, filed 2/10/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 (Order 2), § 315-06-050, filed 10/15/82.]

WAC 315-06-060 Price of tickets—Limitations. No lottery retailer may sell a ticket at a price greater or less than that established in accordance with these rules.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-060, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7 §§ 4 and 11. 83-03-034 (Order 10), § 315-06-060, filed 1/14/83.]

WAC 315-06-070 Purchaser's obligations. In purchasing a ticket, the purchaser agrees to comply with chapter 67.70 RCW, these rules, the final decisions of the director, and all procedures established by the director for the conduct of games.

[Statutory Authority: RCW 67.70.040. 08-11-043, § 315-06-070, filed 5/14/08, effective 6/14/08. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-070, filed 10/15/82.]

WAC 315-06-075 Game sell-out. No Washington state lottery retailer shall sell a ticket or combination of draw game lottery tickets, which would guarantee the purchaser a jackpot or grand prize, and in accordance with chapter 315-30 WAC.

[Statutory Authority: RCW 67.70.040. 08-11-043, § 315-06-075, filed 5/14/08, effective 6/14/08; 99-04-077, § 315-06-075, filed 2/2/99, effective 3/5/99.]

WAC 315-06-080 Certain purchases of tickets, acceptance of things of economic value, and winning of prizes prohibited. Certain purchases of tickets, acceptance of things of economic value and winning and sharing of prizes, are prohibited as follows:

(1) Members of the commission and employees of the lottery, or any spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of abode of any member of the commission or employee of the

lottery shall not purchase or share in any portion of or receive the prize winnings of any of Washington's lottery tickets.

(2) No things of economic value offered by prize winners, vendors, contractors, or others conducting business with the lottery, may be accepted by lottery retailers or by any member of the commission or any spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of abode of any member of the commission.

(3) A ticket shall not be purchased by, and a prize shall not be paid to any CPA accounting firm, or its employees, retained by the director of financial management pursuant to RCW 67.70.310 and 67.70.320, or any employee of the director of financial management performing a management review or audit of the commission or director.

(4) A ticket shall not be sold to or purchased by any person under the age of eighteen. Nothing in this section shall prohibit the purchase of a ticket for the purpose of making a gift by a person eighteen years of age or older to a person less than that age.

(5) A ticket shall not be purchased with public assistance electronic benefit cards or coupons and a lottery retailer shall not accept these as consideration for a ticket.

[Statutory Authority: RCW 67.70.040. 08-11-043, § 315-06-080, filed 5/14/08, effective 6/14/08; 90-11-040, § 315-06-080, filed 5/10/90, effective 6/10/90; 86-01-060 (Order 83), § 315-06-080, filed 12/16/85; 84-22-047 (Order 68), § 315-06-080, filed 11/7/84. Statutory Authority: 1982 2nd ex.s. c 7 §§ 4 and 5. 83-03-033 (Order 9), § 315-06-080, filed 1/14/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 (Order 2), § 315-06-080, filed 10/15/82.]

WAC 315-06-085 Hand-marked play slips. Plays may only be entered manually using the lottery terminal keypad or by means of a play slip provided by the lottery and hand-marked by the player. Retailers shall not permit the use of facsimiles of play slips, copies of play slips, or other materials that are inserted into the terminal's play slip reader that are not printed or approved by the lottery. Retailers shall not permit any device to be connected to a lottery terminal to enter plays, except as approved by the lottery.

[Statutory Authority: RCW 67.70.040. 99-04-077, § 315-06-085, filed 2/2/99, effective 3/5/99.]

WAC 315-06-090 Video machines prohibited. Coin-operated, instant video games which pay out prizes, either by skill or chance, shall not be used in the conduct of games, pursuant to RCW 67.70.040 (1)(a).

[Statutory Authority: RCW 67.70.040. 08-11-043, § 315-06-090, filed 5/14/08, effective 6/14/08; 88-17-024 (Order 111), § 315-06-090, filed 8/11/88; 86-01-060 (Order 83), § 315-06-090, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-090, filed 10/15/82.]

WAC 315-06-095 Promotional contests of chance. The director has the authority to conduct promotional contests of chance for the enhancement of ticket sales.

[Statutory Authority: RCW 67.70.040. 91-20-062, § 315-06-095, filed 9/25/91, effective 10/26/91.]

WAC 315-06-100 Data processing terminals for the dispensing of tickets authorized. Online data-processing

ticket vending terminals for use by lottery retailers in the issuing of tickets may be used in the conduct of games.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-06-100, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7, 82-21-040 (Order 5), § 315-06-100, filed 10/15/82.]

WAC 315-06-110 Conversion to data processing vending terminals. The director reserves the right upon thirty days' notice to the lottery retailer to convert any licensed location from a manual-type operation to an online data processing ticket vending terminal operation and from a vending terminal operation on either a rental or purchase basis to a manual-type operation in the sale and distribution of tickets.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-06-110, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7, 82-21-040 (Order 5), § 315-06-110, filed 10/15/82.]

WAC 315-06-115 Overlapping draw game sales in consecutive fiscal years. When the sales for a draw game jackpot overlap two fiscal years, any fiscal reporting discrepancy between the statutory requirement that payment of prizes not be less than forty-five percent of gross annual revenue and the preparation of an annual financial statement using generally accepted accounting principles shall be explained in a footnote to the financial statements.

[Statutory Authority: RCW 67.70.040, 08-11-043, § 315-06-115, filed 5/14/08, effective 6/14/08; 89-17-021 (Order 118), § 315-06-115, filed 8/7/89, effective 9/7/89.]

WAC 315-06-120 Payment of prizes—General provisions. (1) The director may designate claim centers for the filing of prize claims, and the location of such centers shall be publicized from time to time by the director.

(2) A claim shall be entered in the name of one claimant, which shall be either a natural person, association, corporation, general or limited partnership, club, trust, estate, society, company, joint stock company, receiver, trustee, or another acting in a fiduciary or representative capacity whether appointed by a court or otherwise. A claim which includes one or more tickets with an address label or stamp on the back of the ticket shall be deemed to have been entered in the name of one claimant: Provided, That if the address label or stamp contains the name of more than one claimant, the prize payment will be made to the one who has signed the ticket and/or claim form or, if there is no signature, to the first claimant listed on the address label or stamp. If there are two or more claimant names written or signed on the ticket, lottery personnel shall return the ticket(s) to claimants and shall request that the claimants sign a notarized statement relinquishing ownership to one claimant. The claimant must submit his or her Social Security number (SSN) or the federal employer's identification number (FEIN) when claiming any prize exceeding six hundred dollars.

(3) A claim may be entered in the name of a claimant other than a natural person only if the claimant is a legal entity and possesses a federal employer's identification number (FEIN) as issued by the Internal Revenue Service, such number is shown on the claim form and the entity's terms comply with subsection (4) of this section. Groups, family units, organizations, clubs, or other organizations which are

not a legal entity, or do not possess a federal employer's identification number, shall designate one natural person or one legal entity in whose name the claim is to be entered.

(4) The terms governing a claimant other than a natural person, i.e., articles of incorporation, trust terms, etc., shall be submitted to the director for approval. Terms not in compliance with lottery statutes or rules shall not be approved. Payment shall not be made to a claimant other than a natural person until the director has approved the terms.

All claimants other than natural persons shall have governing terms which:

(a) Prohibit deletion, amendment, or addition of terms without the director's approval;

(b) State the names of all natural persons who have a direct or indirect right or interest in the claimant, each of their percentage interests and their Social Security numbers;

(c) Acknowledge that the debt collection process mandated by RCW 67.70.255 and WAC 315-06-125 shall be applied to the natural persons who hold interests in the claimant through their Social Security numbers; and

(d) Provide that in the event the claimant ceases to exist prior to the full payout of the prize, the lottery will not make further payment without court order.

(5) The lottery shall not make payment to a claimant other than a natural person unless the terms governing the claimant include those enumerated in subsection (4) of this section.

(6) Unless otherwise provided in the rules for a specific type of game, a claimant shall sign the back of the ticket and/or complete and sign a claim form approved by the director. The claimant shall submit the claim form and/or claimant's ticket to the lottery in accordance with the director's instructions as stated in the game brochure and/or on the back of the ticket or submit a request for reconstruction of an alleged winning ticket and sufficient evidence to enable reconstruction and that the claimant had submitted a claim for the prize, if any, for that ticket. The claimant, by submitting the claim or request for reconstruction, agrees to the following provisions:

(a) The discharge of the state, its officials, officers, employees, and the commission of all further liability upon payment of the prize; and

(b) The authorization to use the claimant's name and, upon written permission, photograph for publicity purposes by the lottery.

(7) A prize must be claimed within the time limits prescribed by the director in the instructions for the conduct of a specific game, but in no case shall a prize be claimed later than one hundred eighty days, except a shared game lottery, after the official end of that instant game or draw game drawing for which that draw game ticket was purchased.

(8) The director may deny awarding a prize to a claimant if:

(a) The ticket was not legally issued initially;

(b) The ticket was stolen from the commission, director, its employees or retailers, or from a lottery retailer; or

(c) The ticket has been altered or forged, or has otherwise been mutilated such that the authenticity of the ticket cannot be reasonably assured by the director.

(9) No natural person or legal entity entitled to a prize may assign the right to payment, except under the following limited circumstances:

(a) That payment of a prize may be made to any court appointed legal representative, including, but not limited to, guardians, executors, administrators, receivers, or other court appointed assignees; and

(b) When payment of all or part of the remainder of an annuity and the right to receive future annual prize payments has been voluntarily assigned to another person, pursuant to an appropriate judicial order that meets the requirements of RCW 67.70.100(2).

(10) In the event that there is a dispute or it appears that a dispute may occur relative to any prize, the director may refrain from making payment of the prize pending a final determination by the director or by a court of competent jurisdiction relative to the same.

(11) A ticket that has been legally issued by a lottery retailer is a bearer instrument until signed. The person who signs the ticket or has possession of an unsigned ticket is considered the bearer of the ticket. Payment of any prize may be made to the bearer, and all liability of the state, its officials, officers, and employees and of the commission, director and employees of the commission terminates upon payment.

(12) All prizes shall be paid within a reasonable time after the claims are validated by the director and a winner is determined. Provided, prizes paid for claims validated pursuant to WAC 315-10-070(2) shall not be paid prior to one hundred eighty-one days after the official end of that instant game.

(13) The date of the first installment payment of each prize to be paid in installment payments shall be the date the claim is validated, or the date the winner makes a choice of payment by annual payments or by single cash payment pursuant to WAC 315-34-057. Subsequent installment payments shall be made as follows:

(a) If the prize was awarded as the result of a drawing conducted by the lottery, installment payments shall be made weekly, monthly, or annually from the date of the drawing in accordance with the type of prize awarded.

(b) If the prize was awarded in a manner other than a drawing conducted by the lottery, installment payments shall be made weekly, monthly, or annually from the date the claim is validated in accordance with the type of prize awarded.

(14) The director may, at any time, delay any payment in order to review a change of circumstances relative to the prize awarded, the payee, the claim or any other matter that may have come to his or her attention. All delayed payments shall be brought up to date immediately upon the director's confirmation and continue to be paid on each originally scheduled payment date thereafter.

(15) If any prize is payable for the life of the winner, only a natural person may claim such a prize. Such "win for life" type prizes shall cease upon the death of the winner or the end of a guaranteed payment period (if any), whichever is later. Win for life prizes may be assigned; and the following conditions apply to such assignments:

(a) The original winner's actual life shall determine when prize payments cease; and

(b) The assignee shall be responsible for notifying the lottery of the original winner's death.

(16) The director's decisions and judgments in respect to the determination of a winning ticket or of any other dispute arising from the payment or awarding of prizes shall be final and binding upon all participants in the lottery.

(17) Each lottery retailer shall pay all prizes authorized to be paid by the lottery retailer by these rules during its normal business hours at the location designated on its license.

(18) In the event a dispute between the director and the claimant occurs as to whether the ticket is a winning ticket, and if the ticket prize is not paid, the director may, solely at his or her option, replace the disputed ticket with an unplayed ticket (or tickets of equivalent sales price from any game). This shall be the sole and exclusive remedy of the claimant.

(19) At the director's discretion, the lottery may designate an alternative payment date for prize payment.

[Statutory Authority: RCW 67.70-040 [67.70.040] (1)(3), 10-16-025, § 315-06-120, filed 7/23/10, effective 8/23/10. Statutory Authority: RCW 67.70.040, 08-11-043, § 315-06-120, filed 5/14/08, effective 6/14/08; 00-24-103, § 315-06-120, filed 12/6/00, effective 1/6/01; 00-12-032, § 315-06-120, filed 5/30/00, effective 6/30/00; 99-19-103, § 315-06-120, filed 9/20/99, effective 10/21/99; 97-20-052, § 315-06-120, filed 9/24/97, effective 10/25/97; 96-19-071, § 315-06-120, filed 9/17/96, effective 10/18/96; 96-15-124, § 315-06-120, filed 7/24/96, effective 8/24/96; 94-19-062, § 315-06-120, filed 9/20/94, effective 10/21/94; 93-04-004, § 315-06-120, filed 1/21/93, effective 2/21/93; 91-03-036, § 315-06-120, filed 1/9/91, effective 2/9/91; 89-12-042 (Order 116), § 315-06-120, filed 6/1/89; 87-17-012 (Order 103), § 315-06-120, filed 8/10/87; 87-01-057 (Order 96), § 315-06-120, filed 12/16/86; 86-01-060 (Order 83), § 315-06-120, filed 12/16/85; 85-16-031 (Order 77), § 315-06-120, filed 7/30/85; 84-19-045 (Order 64), § 315-06-120, filed 9/17/84; 84-09-008 (Order 54), § 315-06-120, filed 4/9/84; 84-01-002 (Order 41), § 315-06-120, filed 12/8/83. Statutory Authority: RCW 67.70.040 and 67.70.050, 83-05-029 (Order 14), § 315-06-120, filed 2/10/83.]

WAC 315-06-123 Voluntary assignment of prize pursuant to an appropriate judicial order.

(1) In the case of a petition for an order or an amended order for the voluntary assignment of a prize, a copy of a petition shall be served on the director of the lottery or designee, in addition to service on the attorney general, no later than ten days before any hearing or entry of any order or amended order. After superior court entry of voluntary assignment of a right to a prize pursuant to an appropriate judicial order or amended order, the director shall make payment to the person designated by a certified copy of the order or amended order which has been served upon the director personally or by certified mail provided that the order contains, in addition to the requirements set forth in RCW 67.70.100(2), the following provisions:

(a) The assignor's name. For an initial assignment, the winner's name as it appears on the prize claim form;

(b) The assignee's name;

(c) The citizenship or resident alien number of the assignee (if a natural person).

(2) The certified copy of the order must be served on the director at least twenty working days prior to the annual payment date to allow for a change in the payee. The director shall not be liable for failure to pay an annual payment to an assignee if service of the order and presentation of the required information for tax withholding purposes described in subsection (3) of this section is not timely made.

Lifetime cash winners may assign nonguaranteed payments provided that the original winner has properly verified

they are still eligible to receive their prize pursuant to WAC 315-36-110(5). The lottery's obligation to issue assigned payments shall terminate upon the death of the original winner.

(3) Payment shall be made payable to the name of the assignee designated in the judicial order and to no other name. Federal income tax withholding shall be deducted from each payment and reported to the Internal Revenue Service. The assignee shall provide its Social Security number, if a natural person, or tax identification number, if a legal entity, to the director at the time the judicial order is served for the purpose of reporting tax withholding to the Internal Revenue Service and for the purpose of applying the debt collection process as described in subsection (5) of this section.

(4) RCW 67.70.100 authorizes the director to charge actual costs for each assignment and deduct such costs from the initial annuity payment made to the assignee. In determining actual costs the director has considered the staff time required to determine the sufficiency of the judicial order or amended order and to process the initial payment; telegraphic and long distance telephone communications, photocopying, postage, and private delivery service; and legal services directly related to determining the sufficiency of the judicial order and processing of the initial payment, including legal services and costs associated with any legal proceeding in which the agency is represented by the office of the attorney general. The director has determined the following costs shall be deducted from the initial annuity payment made to each assignee, unless paid pursuant to subsection (e):

(a) Assignment of whole annuity payments (one or more years) resulting in payment only to the assignee during each year of the assignment: \$250; or

(b) Assignment of a portion/percentage of annuity payments resulting in annual payments to one or more assignees and/or the original prize winner: \$300 for the first year of the assignment, plus \$75 for each year thereafter;

(c) Assignment pursuant to an amended order of assignment, resulting in annual payments to the same number of assignees as in the original order: \$250;

(d) Assignment pursuant to an amended order of assignment, resulting in annual payments to one or more assignees in addition to the assignees in the original order of assignment: \$300 for the first year of the amended order of assignment, plus \$75 for each year thereafter;

(e) If payment of the total fees due for costs for processing an order or amended order is received by the lottery together with and at the same time as the required certified copy of the order or amended order, the fees will not be deducted from annual payments;

(f) The director shall review these costs at least biennially from December 1, 1997, and shall recommend adjustments, if necessary, for commission consideration and approval.

(5) The debt collection process mandated by RCW 67.70.255 and WAC 315-06-125 shall be applied to all payments made to any person pursuant to a voluntary assignment. The term person shall have the same meaning as the definition set forth in WAC 315-02-180.

[Statutory Authority: RCW 67.70.040, 08-11-043, § 315-06-123, filed 5/14/08, effective 6/14/08; 98-15-114, § 315-06-123, filed 7/20/98, effective 8/20/98; 97-20-052, § 315-06-123, filed 9/24/97, effective 10/25/97; 96-15-124, § 315-06-123, filed 7/24/96, effective 8/24/96.]

(7/23/10)

WAC 315-06-125 Debts owed the state. (1) The terms used in RCW 67.70.255 and these regulations are defined as follows:

(a) Creditor - Any state agency or political subdivision of this state that maintains records of debts owed to the state or political subdivision, or that the state is authorized to enforce or collect.

(b) Debt - A judgment rendered by a court of competent jurisdiction or obligations established pursuant to RCW 50.20.190, 51.32.240, 51.48.140, 74.04.300, 74.20A.040, 74.20A.055 and 82.32.210 or administrative orders as defined in RCW 50.24.110, 51.32.240, 51.48.150, and 74.20A.020(6).

(c) State - The state of Washington.

(d) Two working days - Two days not to include Saturdays, Sundays, and holidays as defined in RCW 1.16.050 commencing the day following the date the claim was validated by the lottery.

(e) Verification - A facsimile or photo copy of a judgment or final order received by the lottery during the requisite two working day period.

(f) Individual - A natural person.

(2) Any creditor may submit, to the lottery, in a format specified by the director, debt information required by the *Revised Code of Washington*. Debt information medium which do not contain the required information or are not in the proper format will be returned to the creditor. The creditor submitting debt information shall provide replacement debt information medium on a regular basis at intervals not to exceed one month or less than one week. The creditor shall be solely responsible for the accuracy of the information contained therein.

(3) Creditors submitting debt information medium in the proper format to the lottery shall also submit the name or names of designated contact persons.

(4) The lottery shall include the debt information submitted by the creditor in its validation and prize payment process. The lottery shall delay payment of a prize, exceeding six hundred dollars, for a period not to exceed two working days, to any individual prize winner or to any other prize winner which has an individual holding a direct or indirect interest in the prize winner, and who owes a debt to a creditor pursuant to the information submitted in subsection (2) of this section. The lottery shall make a reasonable attempt to contact the creditor's designated contact person(s) by phone, followed by written correspondence, including e-mail, to verify the debt. Three phone calls, excluding busy signals, shall constitute a reasonable attempt. The prize shall be paid to the prize winner if the debt is not verified by the submitting creditor within two working days. If the debt is verified, the prize shall be disbursed pursuant to subsection (9) of this section.

(5) It shall be the obligation of the prize winner to provide the lottery with the names, Social Security numbers, and percentage interests of the individuals who collectively hold one hundred percent of the interest in the prize.

(6) Where an individual holds an interest in a prize claimed by another individual, the lottery must be informed of that interest, its percentage and the Social Security number (SSN) of the nonclaimant individual who holds the interest, prior to the validation and prize payment process described herein; otherwise, the Social Security number of the claimant

individual and the full net amount of the prize will be used in completing the processing required under this section.

(7) Where the right to payment to an individual who holds an interest in a prize winner is discretionary with a third party or is contingent, the tax ID number of the prize winner shall be used in completing the processing required under this section, rather than the Social Security number of said individual.

(8) A creditor shall verify the debt by submitting to the lottery at lottery headquarters in Olympia, Washington within the requisite two working day period, a facsimile or photocopy of a judgment or final order which is the basis for the debt.

(9) Prior to disbursement, any verified debts owed to a creditor by the individual winner of any lottery prize exceeding six hundred dollars or by an individual holding more than a six hundred dollar interest in a prize winner shall be set off against the prize owing to the individual or against the proportionate interest of the individual in the prize winner. In the event a prize winner or an individual holding more than a six hundred dollar interest in a prize winner owes debts to more than one creditor, and the total prize to that winner or individual is insufficient to pay all debts, the set off shall be paid to the creditors on a pro rata basis based on the amount of debt owed to each creditor unless priority is established by statute.

[Statutory Authority: RCW 67.70.040. 08-11-043, § 315-06-125, filed 5/14/08, effective 6/14/08; 93-23-012, § 315-06-125, filed 11/5/93, effective 12/6/93; 93-11-056, § 315-06-125, filed 5/12/93, effective 6/12/93; 93-04-004, § 315-06-125, filed 1/21/93, effective 2/21/93; 91-20-062, § 315-06-125, filed 9/25/91, effective 10/26/91; 87-01-057 (Order 96), § 315-06-125, filed 12/16/86.]

WAC 315-06-130 Prizes payable after death or disability of individual winner. (1) All prizes or a portion thereof which remain unpaid at the time of an individual prize winner's death shall be payable to the court appointed representative of the prize winner's estate once satisfactory evidence of said representative appointment has been presented to the director, claim forms have been properly filled out, and the director is satisfied that such payment is lawful and proper: Provided, however, That where the prize winner and spouse had entered into any agreement valid under the law of this state or another state which establishes the prize as property to pass to the surviving spouse without probate upon the death of the prize winner, then the prize shall be made payable to the surviving spouse, without the probating of an estate of the deceased.

(2) Prize moneys will be paid according to the law of descent and distribution, chapter 11.04 RCW, of the state of Washington if the winner thereof dies intestate regardless of whether the prize winner was domiciled at the time of the prize winner's death in the state of Washington.

(3) The director may rely wholly on the presentment of certified copies of a court's appointment of an administrator or executor, guardian, conservator or on any other evidence that a person is entitled to the payment of any prize winnings then due.

(4) The payment to the estate of the deceased winner of any prize winnings by the director shall absolve the director, the commission and employees of the lottery of any further liability for payment of said prize winnings.

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(5)(a) Where the party who claimed a prize from the lottery was an individual, and the individual has died, the estate of the deceased individual prize winner may petition the lottery director to have the payment of an installment prize accelerated and paid to the estate at the installment prize's present cash value in lieu of receiving continued payments. The director may grant the petition if, in the director's sole discretion, payment of the remaining installments in a single, present cash value payment is in the best interests of the state lottery.

(b) The estate of an individual which has a community property interest in a prize, may petition the lottery director to have the payment of its interest in an installment prize accelerated and paid to the estate at the installment prize's present cash value in lieu of receiving continued payments. The director may grant the petition if, in the director's sole discretion, payment of the remaining installments in a single, present cash value payment is in the best interests of the state lottery. Payment to the surviving spouse of the remaining community property interest shall continue in installments.

(6) The director may petition any court of competent jurisdiction to request a determination for the payments of any prize winnings which are or may become due the estate of a deceased winner or a winner under a disability because of, but not limited to, underage, mental deficiency, or physical or mental incapacity.

(7) If the legatee(s) or heir(s) of a deceased winner entitled to prize winnings obtains an order from a court of competent jurisdiction directing payments due and to become due from the director to be paid directly to said legatee(s) or heir(s) or otherwise directs the director to make payments to another in the event of a winner's disability or otherwise, the director shall pay the prize winnings accordingly after application of that process mandated by RCW 67.70.255 and WAC 315-06-125.

(8) A deceased winner's estate shall be considered to be a winner, and payments thereto shall be governed by WAC 315-06-120.

[Statutory Authority: RCW 67.70.040. 08-11-043, § 315-06-130, filed 5/14/08, effective 6/14/08; 94-19-062, § 315-06-130, filed 9/20/94, effective 10/21/94; 93-04-004, § 315-06-130, filed 1/21/93, effective 2/21/93; 84-05-008 (Order 51), § 315-06-130, filed 2/7/84. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 (Order 2), § 315-06-130, filed 10/15/82.]

WAC 315-06-170 Filing of reports. Each lottery retailer may be required to file with the director periodic reports of its respective receipts and transactions in the sale of tickets in such form as approved by the director.

[Statutory Authority: RCW 67.70.040. 94-03-020, § 315-06-170, filed 1/7/94, effective 2/9/94; 86-01-060 (Order 83), § 315-06-170, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-170, filed 10/15/82.]

WAC 315-06-190 Erroneous or mutilated tickets. (1) Tickets erroneously made out or in any way mutilated when received by a lottery retailer are to be returned by the lottery retailer immediately to the director. Credit may be allowed for said tickets but only if the authenticity of the tickets can be reasonably determined by the director.

(2) Unless the director is satisfied that a mutilated ticket is authentic, no credit or prize will be issued to the holder of said ticket.

(7/23/10)

[Statutory Authority: RCW 67.70.040. 94-03-020, § 315-06-190, filed 1/7/94, effective 2/9/94; 86-01-060 (Order 83), § 315-06-190, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-190, filed 10/15/82.]

WAC 315-06-200 Returned tickets. All tickets once returned by a lottery retailer may not be reissued without prior approval of the director.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-200, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-200, filed 10/15/82.]

WAC 315-06-210 Law enforcement. (1) The director shall be the chief law enforcement officer, pursuant to chapter 67.70 RCW, for the purposes of enforcing such chapter, and the penal laws of this state relating to the conduct of or participation in lottery activities.

(2) The director shall appoint in accordance with the laws of the state of Washington a sufficient number of competent persons to act as Washington state lottery law enforcement officers, may remove them from a law enforcement capacity without cause, and shall define their rank and duties.

(3) The director may appoint employees to serve as special deputies, with such restricted police authority as the director shall designate as being necessary and consistent with their assignment to duty.

(4) The director shall apply for certification as a criminal justice agency pursuant to WAC 446-20-050 and shall designate specific employees for the collection and dissemination of criminal history record information, and for undercover audit or investigative work or other security operations.

(5) The director may issue a badge and shall issue an identification card to each employee designated as a lottery law enforcement officer.

(6) The director shall develop cooperative arrangements with other criminal justice agencies in the state of Washington for enforcement of laws related to lottery activities.

(7) The director shall issue guidelines for the conduct of lottery law enforcement personnel.

[Statutory Authority: RCW 67.70.040. 08-11-043, § 315-06-210, filed 5/14/08, effective 6/14/08. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-210, filed 10/15/82.]