
HOUSE BILL 2106

State of Washington 56th Legislature 1999 Regular Session

By Representatives Haigh and Rockefeller

Read first time 02/15/1999. Referred to Committee on Appropriations.

1 AN ACT Relating to using lottery proceeds for the teacher training
2 and levy equalization account; amending RCW 67.70.040 and 67.70.240;
3 and adding a new section to chapter 67.70 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 67.70 RCW
6 to read as follows:

7 The teacher training and levy equalization account is created in
8 the state treasury. Receipts from the state lottery account as
9 provided in RCW 67.70.040 shall be deposited into this account.
10 Expenditures from this account may be used in accordance with RCW
11 67.70.240. No appropriation is required to permit expenditures and
12 payment of obligations from the account.

13 **Sec. 2.** RCW 67.70.040 and 1994 c 218 s 4 are each amended to read
14 as follows:

15 The commission shall have the power, and it shall be its duty:

16 (1) To promulgate such rules governing the establishment and
17 operation of a state lottery as it deems necessary and desirable in
18 order that such a lottery be initiated at the earliest feasible and

1 practicable time, and in order that such lottery produce the maximum
2 amount of net revenues for the state consonant with the dignity of the
3 state and the general welfare of the people. Such rules shall include,
4 but shall not be limited to, the following:

5 (a) The type of lottery to be conducted which may include the
6 selling of tickets or shares. The use of electronic or mechanical
7 devices or video terminals which allow for individual play against such
8 devices or terminals shall be prohibited. Approval of the legislature
9 shall be required before entering any agreement with other state
10 lotteries to conduct shared games;

11 (b) The price, or prices, of tickets or shares in the lottery;

12 (c) The numbers and sizes of the prizes on the winning tickets or
13 shares;

14 (d) The manner of selecting the winning tickets or shares;

15 (e) The manner and time of payment of prizes to the holder of
16 winning tickets or shares which, at the director's option, may be paid
17 in lump sum amounts or installments over a period of years;

18 (f) The frequency of the drawings or selections of winning tickets
19 or shares. Approval of the legislature is required before conducting
20 any on-line game in which the drawing or selection of winning tickets
21 occurs more frequently than once every twenty-four hours;

22 (g) Without limit as to number, the type or types of locations at
23 which tickets or shares may be sold;

24 (h) The method to be used in selling tickets or shares;

25 (i) The licensing of agents to sell or distribute tickets or
26 shares, except that a person under the age of eighteen shall not be
27 licensed as an agent;

28 (j) The manner and amount of compensation, if any, to be paid
29 licensed sales agents necessary to provide for the adequate
30 availability of tickets or shares to prospective buyers and for the
31 convenience of the public;

32 (k) The apportionment of the total revenues accruing from the sale
33 of lottery tickets or shares and from all other sources among: (i) The
34 payment of prizes to the holders of winning tickets or shares, which
35 shall not be less than forty-five percent of the gross annual revenue
36 from such lottery, (ii) transfers to the lottery administrative account
37 created by RCW 67.70.260, (~~and~~) (iii) transfers to the teacher
38 training and levy equalization account, and (iv) transfers to the

1 state's general fund. Transfers to the state general fund shall be
2 made in compliance with RCW 43.01.050;

3 (1) Such other matters necessary or desirable for the efficient and
4 economical operation and administration of the lottery and for the
5 convenience of the purchasers of tickets or shares and the holders of
6 winning tickets or shares.

7 (2) To ensure that in each place authorized to sell lottery tickets
8 or shares, on the back of the ticket or share, and in any advertising
9 or promotion there shall be conspicuously displayed an estimate of the
10 probability of purchasing a winning ticket.

11 (3) To amend, repeal, or supplement any such rules from time to
12 time as it deems necessary or desirable.

13 (4) To advise and make recommendations to the director for the
14 operation and administration of the lottery.

15 **Sec. 3.** RCW 67.70.240 and 1997 c 220 s 206 (Referendum Bill No.
16 48) are each amended to read as follows:

17 The moneys in the state lottery account shall be used only:

18 (1) For the payment of prizes to the holders of winning lottery
19 tickets or shares;

20 (2) For purposes of making deposits into the reserve account
21 created by RCW 67.70.250 and into the lottery administrative account
22 created by RCW 67.70.260;

23 (3) For purposes of making deposits into the (~~state's general~~
24 fund) teacher training and levy equalization account. The deposits
25 into the teacher training and levy equalization account shall be
26 apportioned as follows:

27 (a) A maximum of one-fourth of the funds shall be used in
28 accordance with section 517(1) of Senate Bill No. 5180; and

29 (b) Three-fourths of the funds shall be used in accordance with
30 chapter 28A.500 RCW;

31 (4) For distribution to a county for the purpose of paying the
32 principal and interest payments on bonds issued by the county to
33 construct a baseball stadium, as defined in RCW 82.14.0485, including
34 reasonably necessary preconstruction costs. Three million dollars
35 shall be distributed under this subsection during calendar year 1996.
36 During subsequent years, such distributions shall equal the prior
37 year's distributions increased by four percent. Distributions under
38 this subsection shall cease when the bonds issued for the construction

1 of the baseball stadium are retired, but not more than twenty years
2 after the tax under RCW 82.14.0485 is first imposed;

3 (5) For distribution to the stadium and exhibition center account,
4 created in RCW 43.99N.060. Subject to the conditions of RCW
5 43.99N.070, six million dollars shall be distributed under this
6 subsection during the calendar year 1998. During subsequent years,
7 such distribution shall equal the prior year's distributions increased
8 by four percent. No distribution may be made under this subsection
9 after December 31, 1999, unless the conditions for issuance of the
10 bonds under RCW 43.99N.020(2) are met. Distributions under this
11 subsection shall cease when the bonds are retired, but not later than
12 December 31, 2020;

13 (6) For the purchase and promotion of lottery games and game-
14 related services; and

15 (7) For the payment of agent compensation.

16 The office of financial management shall require the allotment of
17 all expenses paid from the account and shall report to the ways and
18 means committees of the senate and house of representatives any changes
19 in the allotments.

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