

SHB 2300 - H AMD 707

By Representative Orcutt

NOT CONSIDERED 4/26/2009

1 On page 2, after line 1, insert the following:

2

3 **"Sec. 2.** RCW 67.70.340 and 2005 c 369 s 4 are each amended to  
4 read as follows:

5 (1) The legislature recognizes that creating a shared game lottery  
6 could result in less revenue being raised by the existing state  
7 lottery ticket sales. The legislature further recognizes that the two  
8 funds most impacted by this potential event are the student  
9 achievement fund and the education construction account. Therefore,  
10 it is the intent of the legislature to use some of the proceeds from  
11 the shared game lottery to make up the difference that the potential  
12 state lottery revenue loss would have on the student achievement fund  
13 and the education construction account. The legislature further  
14 intends to use some of the proceeds from the shared game lottery to  
15 fund programs and services related to problem and pathological  
16 gambling.

17 (2) The student achievement fund and the education construction  
18 account are expected to collectively receive one hundred two million  
19 dollars annually from state lottery games other than the shared game  
20 lottery. For fiscal year 2003 and thereafter, if the amount of  
21 lottery revenues earmarked for the student achievement fund and the  
22 education construction account is less than one hundred two million  
23 dollars, the commission, after making the transfer required under  
24 subsection (3) of this section, must transfer sufficient moneys from  
25 revenues derived from the shared game lottery into the student  
26 achievement fund and the education construction account to bring the  
27 total revenue up to one hundred two million dollars. The funds

1 transferred from the shared game lottery account under this subsection  
2 must be divided between the student achievement fund and the education  
3 construction account in a manner consistent with RCW 67.70.240(3).

4 (3) (a) The commission shall transfer, from revenue derived from  
5 the shared game lottery, to the problem gambling account created in  
6 RCW 43.20A.892, an amount equal to the percentage specified in (b) of  
7 this subsection of net receipts. For purposes of this subsection,  
8 "net receipts" means the difference between (i) revenue received from  
9 the sale of lottery tickets or shares and revenue received from the  
10 sale of shared game lottery tickets or shares; and (ii) the sum of  
11 payments made to winners.

12 (b) In fiscal year 2006, the percentage to be transferred to the  
13 problem gambling account is one-tenth of one percent. In fiscal year  
14 2007 and subsequent fiscal years, the percentage to be transferred to  
15 the problem gambling account is thirteen one-hundredths of one  
16 percent.

17 (4) The commission shall transfer the remaining net revenues, if  
18 any, derived from the shared game lottery "Powerball" authorized in  
19 section 1(1) of this act after the transfers pursuant to this section  
20 as follows:

21 (a) Fifty percent to the county criminal justice assistance  
22 account established in RCW 82.14.310.

23 (b) Fifty percent to the county public health account established  
24 in RCW 70.05.125.

25 ~~((+4))~~ (5) The remaining net revenues, if any, in the shared game  
26 lottery account after the transfers pursuant to this section shall be  
27 deposited into the general fund.

28  
29 **Sec. 3.** RCW 82.14.310 and 2005 c 282 s 49 are each amended to  
30 read as follows:

31 (1) The county criminal justice assistance account is created in  
32 the state treasury. Beginning in fiscal year 2000, the state  
33 treasurer shall transfer into the county criminal justice assistance  
34 account from the general fund the sum of twenty-three million two

1 hundred thousand dollars divided into four equal deposits occurring on  
2 July 1, October 1, January 1, and April 1. For each fiscal year  
3 thereafter, the state treasurer shall increase the total transfer by  
4 the fiscal growth factor, as defined in RCW 43.135.025, forecast for  
5 that fiscal year by the office of financial management in November of  
6 the preceding year.

7 (2) Beginning in fiscal year 2010, the lottery commission shall  
8 transfer into the county criminal justice assistance account from the  
9 shared games account fifty percent of net revenues derived from the  
10 shared game "Powerball" in four deposits occurring on July 1, October  
11 1, January 1, and April 1.

12 ~~((+2))~~ (3) The moneys deposited in the county criminal justice  
13 assistance account for distribution under this section, less any  
14 moneys appropriated for purposes under subsection ~~((+4))~~ (5) of this  
15 section, shall be distributed at such times as distributions are made  
16 under \*RCW 82.44.150 and on the relative basis of each county's  
17 funding factor as determined under this subsection.

18 (a) A county's funding factor is the sum of:

19 (i) The population of the county, divided by one thousand, and  
20 multiplied by two-tenths;

21 (ii) The crime rate of the county, multiplied by three-tenths; and

22 (iii) The annual number of criminal cases filed in the county  
23 superior court, for each one thousand in population, multiplied by  
24 five-tenths.

25 (b) Under this section and RCW 82.14.320 and 82.14.330:

26 (i) The population of the county or city shall be as last  
27 determined by the office of financial management;

28 (ii) The crime rate of the county or city is the annual occurrence  
29 of specified criminal offenses, as calculated in the most recent  
30 annual report on crime in Washington state as published by the  
31 Washington association of sheriffs and police chiefs, for each one  
32 thousand in population;

33 (iii) The annual number of criminal cases filed in the county  
34 superior court shall be determined by the most recent annual report of

1 the courts of Washington, as published by the administrative office of  
2 the courts;

3 (iv) Distributions and eligibility for distributions in the 1989-  
4 91 biennium shall be based on 1988 figures for both the crime rate as  
5 described under (ii) of this subsection and the annual number of  
6 criminal cases that are filed as described under (iii) of this  
7 subsection. Future distributions shall be based on the most recent  
8 figures for both the crime rate as described under (ii) of this  
9 subsection and the annual number of criminal cases that are filed as  
10 described under (iii) of this subsection.

11 (~~(3)~~) (4) Moneys distributed under this section shall be  
12 expended exclusively for criminal justice purposes and shall not be  
13 used to replace or supplant existing funding. Criminal justice  
14 purposes are defined as activities that substantially assist the  
15 criminal justice system, which may include circumstances where  
16 ancillary benefit to the civil or juvenile justice system occurs, and  
17 which includes (a) domestic violence services such as those provided  
18 by domestic violence programs, community advocates, and legal  
19 advocates, as defined in RCW 70.123.020, and (b) during the 2001-2003  
20 fiscal biennium, juvenile dispositional hearings relating to petitions  
21 for at-risk youth, truancy, and children in need of services.  
22 Existing funding for purposes of this subsection is defined as  
23 calendar year 1989 actual operating expenditures for criminal justice  
24 purposes. Calendar year 1989 actual operating expenditures for  
25 criminal justice purposes exclude the following: Expenditures for  
26 extraordinary events not likely to reoccur, changes in contract  
27 provisions for criminal justice services, beyond the control of the  
28 local jurisdiction receiving the services, and major nonrecurring  
29 capital expenditures.

30 (~~(4)~~) (5) Not more than five percent of the funds deposited to  
31 the county criminal justice assistance account shall be available for  
32 appropriations for enhancements to the state patrol crime laboratory  
33 system and the continuing costs related to these enhancements. Funds  
34

1 appropriated from this account for such enhancements shall not  
2 supplant existing funds from the state general fund.

3

4 **Sec. 4.** RCW 70.05.125 and 1998 c 266 s 1 are each amended to read  
5 as follows:

6 (1) The county public health account is created in the state  
7 treasury. Funds deposited in the county public health account shall  
8 be distributed by the state treasurer to each local public health  
9 jurisdiction based upon amounts certified to it by the department of  
10 community, trade, and economic development in consultation with the  
11 Washington state association of counties except as specified in  
12 subsection (2) of this section. The account shall include funds  
13 distributed under RCW \*82.44.110 and 82.14.200(8) and such funds as  
14 are appropriated to the account from the health services account under  
15 RCW 43.72.900, the public health services account under RCW 43.72.902,  
16 and such other funds as the legislature may appropriate to it.

17 (2) Beginning in fiscal year 2010, the lottery commission shall  
18 transfer into the county public health account from the shared games  
19 account. Funding in this subsection shall be distributed to local  
20 health jurisdictions as follows:

21 (a) Fifty percent shall be provided as a base level of funding  
22 distributed in equal amounts for each local health jurisdiction.

23 (b) The remaining fifty percent shall be distributed on a per  
24 capita basis. For the purposes of this subsection "per capita basis"  
25 means fifty percent of remaining net revenues after distributions in  
26 subsection (2)(a) of this section multiplied by the proportion of the  
27 population of the jurisdiction in the previous calendar year to the  
28 population of the state in the previous calendar year.

29 ~~((+2))~~(3)(a) The director of the department of community, trade,  
30 and economic development shall certify the amounts to be distributed  
31 to each local public health jurisdiction using 1995 as the base year  
32 of actual city contributions to local public health.

33 (b) Only if funds are available and in an amount no greater than  
34 available funds under RCW 82.14.200(8), the department of community,

1 trade, and economic development shall adjust the amount certified  
2 under (a) of this subsection to compensate for any annexation of an  
3 area with fifty thousand residents or more to any city as a result of  
4 a petition during calendar year 1996 or 1997, or for any city that  
5 became newly incorporated as a result of an election during calendar  
6 year 1994 or 1995. The amount to be adjusted shall be equal to the  
7 amount which otherwise would have been lost to the health jurisdiction  
8 due to the annexation or incorporation as calculated using the  
9 jurisdiction's 1995 funding formula.

10 (c) The county treasurer shall certify the actual 1995 city  
11 contribution to the department. Funds in excess of the base shall be  
12 distributed proportionately among the health jurisdictions based on  
13 incorporated population figures as last determined by the office of  
14 financial management.

15 (3) Moneys distributed under this section shall be expended  
16 exclusively for local public health purposes."

17  
18 Renumber the sections consecutively and correct any internal  
19 references accordingly.

20  
21 Correct the title.  
22  
23

**EFFECT:** Directs the Lottery Commission to transfer, after other transfers currently required by law, fifty percent of net revenues from the multistate shared game "Powerball" to the County Criminal Justice Assistance Account and fifty percent to the County Public Health Account. Funds transferred into the County Criminal Justice Assistance Account would be distributed to counties as currently required by law. Of the funds transferred into the County Public Health Account to be distributed to local health jurisdictions, fifty percent is to be distributed equally and the remaining fifty percent is to be distributed on a per capita basis.

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