

WAC 315-30-080 Retailer selection criteria. (1) The selection and distribution of draw game retailers throughout the state will be based on:

(a) The number of licensed retailers in each of the regions identified in WAC 315-12-030, and then;

(b) The potential for revenue generation, demographics, and public accessibility within that region.

(2) Only a person who possesses a valid provisional or general license may be authorized by the director to sell draw game tickets.

(3) In addition, the director may consider the following factors in the selection of lottery retailers authorized to sell draw games.

(a) Business and security considerations which include but are not limited to: (i) Instant game accounts receivable record, (ii) criminal history of owners and officers, (iii) history of criminal activity at the business establishment, (iv) past security problems, (v) credit rating as defined in WAC 315-04-095, (vi) licensing requirements, and (vii) history of administrative or regulatory actions.

(b) Marketing considerations which include but are not limited to: (i) Instant ticket sales history, (ii) outside vehicle traffic, (iii) retail customer count, (iv) access to location, and (v) management attitude and willingness to promote lottery products.

(4) The director shall determine the total number of lottery terminals to be installed throughout the state and shall establish procedures for draw game site selection. In determining the order in which TDMS will be installed within a given geographic area, an online site selection survey will be completed in which, the factors considered will include but not be limited to:

(a) General information;

(b) Description of proposed site;

(c) Proposed lottery terminal location;

(d) Products sold;

(e) Services available;

(f) Store's hours;

(g) Estimated draw game sales;

(h) Instant sales per week;

(i) Nearest four draw game lottery retailer sales per week;

(j) District sales representative's assessment; and

(k) Regional sales manager's assessment.

(5) The director may, after a lottery terminal has been in operation for six months, order the removal of a lottery terminal from a low producing retailer location after considering marketing factors which include but are not limited to:

(a) Sales volume not increasing at statewide average;

(b) Weekly sales volume below that of similar businesses with similar market potential;

(c) Sales volume below \$5,000 per week in metropolitan areas;

(d) Public is adequately served by other draw game retailer locations; and

(e) Failure to generate sufficient sales volume to cover the lottery's administrative costs.

(6) The director may immediately discontinue a lottery retailer operation, order removal of a lottery terminal from a draw game lottery retailer location, or take any other action authorized under WAC 315-04-200 in the event that the lottery retailer authorized to sell draw game tickets:

(a) Fails to comply with any rule established by the commission, any instruction issued by the director;

- (b) Tamperers with or attempts to tamper with the lottery terminal;
- (c) Fails to make payment of a prize;
- (d) Makes payment with a business check and the check is dishonored for any reason; or
- (e) Fails to enter into the uniform agreement with the lottery as required in WAC 315-30-075.

[Statutory Authority: RCW 67.70.040 and 67.70.040 (1), (3). WSR 07-11-037, § 315-30-080, filed 5/8/07, effective 6/8/07. Statutory Authority: RCW 67.70.040. WSR 98-20-013, § 315-30-080, filed 9/25/98, effective 10/26/98; WSR 89-09-009 (Order 116), § 315-30-080, filed 4/10/89; WSR 85-22-057 (Order 81), § 315-30-080, filed 11/5/85; WSR 85-09-004 (Order 72), § 315-30-080, filed 4/5/85; WSR 84-21-013 (Order 66), § 315-30-080, filed 10/5/84; WSR 84-05-008 (Order 51), § 315-30-080, filed 2/7/84.]