
HOUSE BILL 2229

State of Washington 52nd Legislature 1991 1st Special Session

By Representatives G. Fisher, Wang, Basich, Sheldon, Brough, Miller, Ferguson, Hine, Jones and Anderson.

Read first time June 19, 1991. Referred to Committee on Revenue.

1 AN ACT Relating to support of the common schools; amending RCW
2 67.70.040 and 67.70.240; providing an effective date; and declaring an
3 emergency.

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

5 **Sec. 1.** RCW 67.70.040 and 1991 c 359 s 1 are each amended to read
6 as follows:

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

8 (1) To promulgate such rules governing the establishment and
9 operation of a state lottery as it deems necessary and desirable in
10 order that such a lottery be initiated at the earliest feasible and
11 practicable time, and in order that such lottery produce the maximum
12 amount of net revenues for the state consonant with the dignity of the
13 state and the general welfare of the people. Such rules shall include,
14 but shall not be limited to, the following:

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

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

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

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

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

14 (f) The frequency of the drawings or selections of winning tickets
15 or shares, without limitation;

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

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

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

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

26 (k) The apportionment of the total revenues accruing from the sale
27 of lottery tickets or shares and from all other sources among: (i) The
28 payment of prizes to the holders of winning tickets or shares, which
29 shall not be less than forty-five percent of the gross annual revenue
30 from such lottery, less amounts of unclaimed prizes deposited in the

1 general fund under RCW 67.70.190 during the fiscal year ending June 30,
2 1989, (ii) transfers to the lottery administrative account created by
3 RCW 67.70.260, and (iii) transfer to the state's general fund for the
4 support of the common schools. Transfers to the state general fund
5 shall be made in compliance with RCW 43.01.050;

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

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

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

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

18 **Sec. 2.** RCW 67.70.240 and 1987 c 513 s 7 are each amended to read
19 as follows:

20 The moneys in the state lottery account shall be used only: (1)
21 For the payment of prizes to the holders of winning lottery tickets or
22 shares; (2) for purposes of making deposits into the reserve account
23 created by RCW 67.70.250 and into the lottery administrative account
24 created by RCW 67.70.260; (3) for purposes of making deposits into the
25 state's general fund for support of the common schools; (4) (~~for~~
26 ~~purposes of making deposits into the housing trust fund under the~~
27 ~~provisions of section 7 of this 1987 act; (5)) for the purchase and
28 promotion of lottery games and game-related services; and (~~(6))~~ (5)
29 for the payment of agent compensation.~~

1 The office of financial management shall require the allotment of
2 all expenses paid from the account and shall report to the ways and
3 means committees of the senate and house of representatives any changes
4 in the allotments.

5 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
6 preservation of the public peace, health, or safety, or support of the
7 state government and its existing public institutions, and shall take
8 effect July 1, 1991.