
SENATE BILL 6457

State of Washington

56th Legislature

2000 Regular Session

By Senators Roach, Swecker, Johnson, Sheahan, Hale, Rossi, Morton, McCaslin, McDonald, Hochstatter, Benton and Zarelli

Read first time 01/17/2000. Referred to Committee on Ways & Means.

1 AN ACT Relating to designating lottery proceeds for common school
2 construction; and amending RCW 67.70.040 and 67.70.240.

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

4 **Sec. 1.** RCW 67.70.040 and 1994 c 218 s 4 are each amended to read
5 as follows:

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

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

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

- 1 (b) The price, or prices, of tickets or shares in the lottery;
- 2 (c) The numbers and sizes of the prizes on the winning tickets or
3 shares;
- 4 (d) The manner of selecting the winning tickets or shares;
- 5 (e) The manner and time of payment of prizes to the holder of
6 winning tickets or shares which, at the director's option, may be paid
7 in lump sum amounts or installments over a period of years;
- 8 (f) The frequency of the drawings or selections of winning tickets
9 or shares. Approval of the legislature is required before conducting
10 any on-line game in which the drawing or selection of winning tickets
11 occurs more frequently than once every twenty-four hours;
- 12 (g) Without limit as to number, the type or types of locations at
13 which tickets or shares may be sold;
- 14 (h) The method to be used in selling tickets or shares;
- 15 (i) The licensing of agents to sell or distribute tickets or
16 shares, except that a person under the age of eighteen shall not be
17 licensed as an agent;
- 18 (j) The manner and amount of compensation, if any, to be paid
19 licensed sales agents necessary to provide for the adequate
20 availability of tickets or shares to prospective buyers and for the
21 convenience of the public;
- 22 (k) The apportionment of the total revenues accruing from the sale
23 of lottery tickets or shares and from all other sources among: (i) The
24 payment of prizes to the holders of winning tickets or shares, which
25 shall not be less than forty-five percent of the gross annual revenue
26 from such lottery, (ii) transfers to the lottery administrative account
27 created by RCW 67.70.260, and (iii) transfer to the state's ((general))
28 common school construction fund((~~Transfers to the state general fund~~
29 ~~shall be made in compliance with RCW 43.01.050~~));
- 30 (l) Such other matters necessary or desirable for the efficient and
31 economical operation and administration of the lottery and for the
32 convenience of the purchasers of tickets or shares and the holders of
33 winning tickets or shares.
- 34 (2) To ensure that in each place authorized to sell lottery tickets
35 or shares, on the back of the ticket or share, and in any advertising
36 or promotion there shall be conspicuously displayed an estimate of the
37 probability of purchasing a winning ticket.
- 38 (3) To amend, repeal, or supplement any such rules from time to
39 time as it deems necessary or desirable.

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

3 **Sec. 2.** RCW 67.70.240 and 1997 c 220 s 206 are each amended to
4 read as follows:

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

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

8 (2) For purposes of making deposits into the reserve account
9 created by RCW 67.70.250 and into the lottery administrative account
10 created by RCW 67.70.260;

11 (3) For purposes of making deposits into the state's (~~general~~)
12 common school construction fund;

13 (4) For distribution to a county for the purpose of paying the
14 principal and interest payments on bonds issued by the county to
15 construct a baseball stadium, as defined in RCW 82.14.0485, including
16 reasonably necessary preconstruction costs. Three million dollars
17 shall be distributed under this subsection during calendar year 1996.
18 During subsequent years, such distributions shall equal the prior
19 year's distributions increased by four percent. Distributions under
20 this subsection shall cease when the bonds issued for the construction
21 of the baseball stadium are retired, but not more than twenty years
22 after the tax under RCW 82.14.0485 is first imposed;

23 (5) For distribution to the stadium and exhibition center account,
24 created in RCW 43.99N.060. Subject to the conditions of RCW
25 43.99N.070, six million dollars shall be distributed under this
26 subsection during the calendar year 1998. During subsequent years,
27 such distribution shall equal the prior year's distributions increased
28 by four percent. No distribution may be made under this subsection
29 after December 31, 1999, unless the conditions for issuance of the
30 bonds under RCW 43.99N.020(2) are met. Distributions under this
31 subsection shall cease when the bonds are retired, but not later than
32 December 31, 2020;

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

35 (7) For the payment of agent compensation.

36 The office of financial management shall require the allotment of
37 all expenses paid from the account and shall report to the ways and

1 means committees of the senate and house of representatives any changes
2 in the allotments.

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