Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Ways & Means Committee

ESSB 6108

Brief Description: Allowing the state lottery commission to enter into an agreement to conduct an additional shared lottery game.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Prentice, Holmquist and Kohl-Welles).

Brief Summary of Engrossed Substitute Bill

• Authorizes the state lottery to conduct "Powerball."

Hearing Date: 4/18/09

Staff: Serah Stetson (786-7109)

Background:

The Washington Lottery was established in 1982. The state Lottery Commission (Commission) has authority to determine the type of lottery to be conducted, the manner of selecting the winning tickets or shares, and the method to be used in selling tickets or shares. However, legislative approval is required before the Commission may enter any agreement with other state lotteries for shared games.

In 2002 the Legislature authorized the Commission to participate in the shared game known as "The Big Game" and now called "Mega Millions." The Mega Millions game is offered in 12 states. Another shared game, Powerball, is offered by 30 states, the District of Columbia, and the Virgin Islands.

Lottery revenues, after payment of prizes and administrative expenses, are used for education construction, paying off stadium bonds, problem gambling services, economic development, and the General Fund. When the Legislature authorized participation in Mega Millions, it created a Shared Game Lottery Account for receipt of revenues from the shared game lottery. After transfers for problem gambling services, shared game lottery revenues are transferred to the

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Education Construction Account to bring the total revenue from both in-state and out-of-state lottery games in the Education Construction Account up to \$102 million. Any amounts remaining in the Shared Game Lottery Account after the transfers to the Education Construction Account are deposited into the General Fund.

Summary of Bill:

The Washington State Lottery Commission is authorized to enter into an agreement for a second multi-state lottery game known as "Powerball."

Appropriation: None.

Fiscal Note: Requested April 15, 2009.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.