CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE SENATE BILL 5681

Chapter 31, Laws of 2015

64th Legislature 2015 3rd Special Session

STATE LOTTERY ACCOUNTS

EFFECTIVE DATE: 10/9/2015

Passed by the Senate June 28, 2015 CERTIFICATE Yeas 45 Nays 0 I, Hunter G. Goodman, Secretary of Senate of the State of PAM ROACH Washington, do hereby certify that President of the Senate the attached is **ENGROSSED** SUBSTITUTE SENATE BILL 5681 as passed by Senate and the House of Representatives on the dates hereon Passed by the House June 29, 2015 set forth. Yeas 90 Nays 8 HUNTER G. GOODMAN FRANK CHOPP Deputy Secretary Speaker of the House of Representatives Approved July 6, 2015 4:14 PM FILED July 7, 2015

JAY INSLEE State of Washington

Governor of the State of Washington

ENGROSSED SUBSTITUTE SENATE BILL 5681

Passed Legislature - 2015 3rd Special Session

State of Washington 64th Legislature 2015 Regular Session

By Senate Ways & Means (originally sponsored by Senators Hill and Angel; by request of Office of Financial Management)

READ FIRST TIME 04/02/15.

- AN ACT Relating to state lottery accounts; and amending RCW 1
- 2 67.70.190, 67.70.240, and 67.70.260.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- Sec. 1. RCW 67.70.190 and 2013 2nd sp.s. c 4 s 987 are each 4 amended to read as follows: 5
- Unclaimed prizes shall be retained in the state lottery account for the person entitled thereto for one hundred eighty days after the 7 drawing in which the prize is won, or after the official end of the 8
- game for instant prizes. If no claim is made for the prize within 10 this time, all rights to the prize shall be extinguished, and the
- 11 prize shall be retained in the state lottery fund for further use as
- prizes, except that one-third of all unclaimed prize money shall be 12
- 13 deposited in the economic development strategic reserve account
- 14 created in RCW 43.330.250. On June 30th of each fiscal year, any
- balance of unclaimed prizes in excess of ten million dollars must be 15
- 16 transferred to the Washington opportunity pathways account created in
- 17 RCW 28B.76.526.

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- 18 ((On July 1, 2009, June 30, 2010, and June 30, 2011, all
- 19 unclaimed prize money retained in the state lottery account in excess
- of three million dollars, excluding amounts distributed to the 20

- economic development strategic reserve account, shall be transferred
 into the state general fund.))
- During the 2013-2015 fiscal biennium, the legislature may transfer to the education legacy trust account such amounts as reflect the excess fund balance in the state lottery account from unclaimed prizes.
- 7 Sec. 2. RCW 67.70.240 and 2013 c 136 s 1 are each amended to 8 read as follows:
 - (1) The moneys in the state lottery account may be used only:
- 10 (a) For the payment of prizes to the holders of winning lottery 11 tickets or shares;

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- 12 (b) For purposes of making deposits into the reserve account 13 created by RCW 67.70.250 and into the lottery administrative account 14 created by RCW 67.70.260;
 - (c) For purposes of making deposits into the Washington opportunity pathways account created in RCW 28B.76.526. Moneys in the state lottery account deposited in the Washington opportunity pathways account are included in "general state revenues" under RCW 39.42.070;
 - (d) For distribution to the stadium and exhibition center account, created in RCW 43.99N.060. Subject to the conditions of RCW 43.99N.070, six million dollars must be distributed under this subsection during the calendar year 1998. During subsequent years, such distribution must equal the prior year's distributions increased by four percent. No distribution may be made under this subsection after December 31, 1999, unless the conditions for issuance of the bonds under RCW 43.99N.020(2) are met. Distributions under this subsection must cease when the bonds are retired, but not later than December 31, 2020;
- 30 (e) For the purchase and promotion of lottery games and game-31 related services; ((and))
 - (f) For the payment of agent compensation; and
- 33 (g) For distribution to the gambling revolving fund, created in RCW 9.46.100, in amounts specified in the omnibus appropriations act.
 35 To meet the cash flow needs of both agencies, the director of the state lottery and the director of the Washington state gambling commission may determine the timing of the distribution, which may include incremental distributions over the course of the fiscal year.

- 1 (2) The office of financial management shall require the 2 allotment of all expenses paid from the account and shall report to 3 the ways and means committees of the senate and house of 4 representatives any changes in the allotments.
- 5 **Sec. 3.** RCW 67.70.260 and 2014 c 221 s 921 are each amended to 6 read as follows:

7 There is hereby created the lottery administrative account in the state treasury. The account shall be managed, controlled, and 8 maintained by the director. The legislature may appropriate from the 9 account for the payment of costs incurred in the operation and 10 11 administration of the lottery. ((During the 2001-2003 fiscal biennium, the legislature may transfer from the lottery 12 administrative account to the state general fund such amounts as 13 reflect the appropriations reductions made by the 2002 supplemental 14 15 appropriations act for administrative efficiencies and savings. 16 During the 2013-2015 fiscal biennium, the lottery administrative account may also be used to fund an independent forecast of the 17 18 lottery revenues conducted by the economic and revenue forecast council.)) The lottery administrative account may also be used to 19 20 fund an independent forecast of the lottery revenues conducted by the 21 economic and revenue forecast council.

> Passed by the Senate June 28, 2015. Passed by the House June 29, 2015. Approved by the Governor July 6, 2015. Filed in Office of Secretary of State July 7, 2015.