

Title 315 WAC

LOTTERY COMMISSION

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Chapter 315-02 WAC

GENERAL PROVISIONS AND DEFINITIONS

WAC

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DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

315-02-210	Special license defined. [Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-210, filed 10/15/82.] Repealed by 83-13-082 (Order 25), filed 6/17/83. Statutory Authority: RCW 67.70.040.
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WAC 315-02-010 Washington state lottery commission. The Washington state lottery commission, hereinafter called "the commission," is the commission appointed by the governor pursuant to chapter 7, Laws of 1982 2nd ex. sess. as the regulatory agency charged with the authority and duty to regulate lottery activities.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-010, filed 10/15/82.]

WAC 315-02-020 Time and place of meetings. (1) Regular public meetings of the commission shall be held on the first Friday of March, June, September, and December, or the preceding business day if that Friday is a holiday. Each such regular meeting shall be held in Olympia, Washington at a time and place designated by the director and published in the meeting agenda.

(2) Additional public meetings necessary to discharge the business of the commission may be called from time to time by the chairman or by a quorum of the commission.

[Statutory Authority: RCW 67.70.040. 85-07-005 (Order 71), § 315-02-020, filed 3/8/85; 83-19-019 (Order 36), § 315-02-020, filed 9/12/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 (Order 2), § 315-02-020, filed 10/15/82.]

WAC 315-02-030 Address of commission. Unless specifically provided elsewhere in these rules, submission of materials or requests for notice or information of any kind, may be made by addressing correspondence to: Washington State Lottery Commission, P.O. Box 9770, Olympia, Washington 98504.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-030, filed 10/15/82.]

WAC 315-02-040 Commission activities exempt from Environmental Protection Act. The commission has reviewed its authorized activities and has found them to be exempt pursuant to WAC 197-10-040(2), 197-10-150 through 197-10-190 and the State Environmental Policy Act, chapter 43.21 RCW.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-040, filed 10/15/82.]

WAC 315-02-050 Director of the Washington state lottery. The director of the Washington state lottery, hereinafter called "the director," is the director appointed by the governor pursuant to section 5, chapter 7, Laws of 1982 2nd ex. sess., to be responsible for the supervision and administration of the operation of the lottery in accordance with the provisions of chapter 7, Laws of 1982 2nd ex. sess. and with the rules of the commission. The director may delegate to his or her employees such responsibilities as the director may deem necessary to carry out the duties and responsibilities of this chapter.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-050, filed 10/15/82.]

WAC 315-02-060 Address of the office of the director. Unless specifically provided elsewhere in these rules, submission of materials or requests for notice or information of any kind, may be made by addressing correspondence to: Office of the Director, Washington

State Lottery, P.O. Box 9770, Olympia, Washington 98504.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-060, filed 10/15/82.]

WAC 315-02-070 Office of the director activities exempt from Environmental Protection Act. The director has reviewed his or her authorized activities and has found them to be exempt pursuant to WAC 197-10-040(2), 197-10-150 through 197-10-190 and the State Environmental Policy Act, chapter 43.21 RCW.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-070, filed 10/15/82.]

WAC 315-02-080 Filing of adopted rules. The commission hereby authorizes each of the following to act as an agent of the commission for the purpose of signing Form CR-8 promulgated by the code reviser for the purpose of filing adopted rules:

- (1) Each member of the commission;
- (2) Director;
- (3) Deputy director.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-02-080, filed 12/16/85; 84-21-013 (Order 66), § 315-02-080, filed 10/5/84.]

WAC 315-02-100 Definitions. Words and terms used in these rules shall have the same meaning as each has under chapter 7, Laws of 1982 2nd ex. sess., unless otherwise specifically provided in these rules, or the context in which they are used clearly indicates that they be given some other meaning.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-100, filed 10/15/82.]

WAC 315-02-110 Bank defined. "Bank" means and includes all commercial banks, mutual savings bank, savings and loan associations, credit unions, trust companies and any other type or form of banking institution organized under the authority of the state of Washington or the United States of America whose principal place of business is within the state of Washington and is designated to perform such functions, activities, or service in connection with the operations of the lottery for the deposit and handling of lottery funds, the accounting thereof and the safekeeping of tickets and records.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-110, filed 10/15/82.]

WAC 315-02-120 Depository defined. "Depository" means any person, including a bank or state agency, performing activities or services in connection with the operation of the lottery for the deposit and handling of lottery funds, the accounting thereof, and the safekeeping of tickets.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-120, filed 10/15/82.]

WAC 315-02-130 Employee of the commission defined. "Employee of the commission" means the employees or agents of the commission and the director unless the context clearly indicates one or the other.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-130, filed 10/15/82.]

WAC 315-02-140 Game defined. "Game" means any individual or particular type of lottery authorized by the commission.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-140, filed 10/15/82.]

WAC 315-02-150 General license defined. "General license" means a license issued by the director which authorizes a lottery retailer to conduct the routine sale of tickets at a fixed structure or facility.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-02-150, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-150, filed 10/15/82.]

WAC 315-02-160 Lottery retailer defined. "Lottery retailer," formerly known as "licensed agent" means a person licensed by the director or any retail outlet of the state liquor control board. The term "licensed agent" used in conjunction with the lottery in any context or document shall have the same meaning as "lottery retailer."

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-02-160, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-160, filed 10/15/82.]

WAC 315-02-170 Lottery defined. "Lottery" means the lottery established and operated pursuant to chapter 7, Laws of 1982 2nd ex. sess.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-170, filed 10/15/82.]

WAC 315-02-180 Person defined. "Person" means an individual, association, corporation, club, trust, estate, society, company, joint stock company, receiver, trustee, assignee, referee, or any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, and any combination of individuals. "Person" does not mean any department, commission, agency, or instrumentality of the state, or any county or municipality or any agency or instrumentality thereof, except for retail outlets of the state liquor control board.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-180, filed 10/15/82.]

WAC 315-02-190 Prize defined. "Prize" means any award, financial or otherwise, awarded by the director.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-190, filed 10/15/82.]

WAC 315-02-200 Provisional license defined. "Provisional license" means a license issued by the director which temporarily authorizes a lottery retailer to conduct the sale of tickets pending processing of the general license application or renewal.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-02-200, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-200, filed 10/15/82.]

WAC 315-02-220 Ticket defined. "Ticket" means a lottery ticket or share issued by the director for sale to the general public.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-02-220, filed 10/15/82.]

Chapter 315-04 WAC LICENSING PROCEDURE

WAC

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DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

315-04-050	Special license. [Statutory Authority: 1982 2nd ex.s. c 7. 82-21-039 (Order 4), § 315-04-050, filed 10/15/82.] Repealed by 83-13-082 (Order 25), filed 6/17/83. Statutory Authority: RCW 67.70.040.
315-04-100	License renewals. [Statutory Authority: RCW 67.70.040. 84-01-002 (Order 41), § 315-04-100, filed 12/8/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 (Order 2), § 315-04-100, filed 10/15/82.] Repealed by 85-16-031 (Order 77), filed 7/30/85. Statutory Authority: RCW 67.70.040.
315-04-133	Change of ownership. [Statutory Authority: RCW 67.70.040. 84-12-057 (Order 58), § 315-04-133, filed 6/4/84.] Repealed by 85-09-004 (Order 72), filed 4/5/85. Statutory Authority: RCW 67.70.040.
315-04-134	Change of officers. [Statutory Authority: RCW 67.70.040. 84-19-045 (Order 64), § 315-04-134, filed 9/17/84; 84-12-057 (Order 58), § 315-04-134, filed 6/4/84.] Repealed by 85-09-004 (Order 72), filed 4/5/85. Statutory Authority: RCW 67.70.040.

WAC 315-04-010 Lottery retailers. The director shall license as lottery retailers such persons who will best serve the public interest and convenience, promote the sale of tickets and meet the eligibility criteria for application and licensure. Said lottery retailers shall be authorized to sell such tickets as in the director's opinion will promote the best interests of the commission and produce maximum revenue, but a lottery retailer need

not be authorized to sell tickets for all games operated by the director. A lottery retailer may be required to post a bond or cash in lieu of a bond in such terms and conditions as the director may require.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-010, filed 12/16/85; 85-09-004 (Order 72), § 315-04-010, filed 4/5/85; 84-01-002 (Order 41), § 315-04-010, filed 12/8/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-039 (Order 4), § 315-04-010, filed 10/15/82.]

WAC 315-04-020 License application eligibility. Any person may submit an application for licensure except:

(1) No person may submit an application for licensure who is under 18 years of age.

(2) No person may submit an application who will be engaged exclusively in the business of selling tickets.

(3) No person may submit an application for licensure who is a member or employee of the commission or who is the spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of any member or employee of the commission.

(4) No person may submit an application who is, or is owned or controlled by or affiliated with, a vendor or contractor of the commission or director for the development, operation, management, security or any other aspect of a specific game.

(5) No person may submit an application who is not legally registered and licensed to conduct business in the state of Washington.

The submission of an application shall not entitle any person to receipt of a license to act as a lottery retailer. An application may be denied for any reason permitted by statute or these rules.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-020, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-039 (Order 4), § 315-04-020, filed 10/15/82.]

WAC 315-04-030 License application. Any eligible person may apply for a license to act as a lottery retailer by first filing with the director an application on a form approved by the director, together with any supplement thereto, which shall include, but not be limited to, authorization to investigate criminal history, financial records and financial sources, said forms and supplements to be signed under oath.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-030, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 (Order 2), § 315-04-030, filed 10/15/82.]

WAC 315-04-040 General license. The director may issue a general license to an applicant who qualifies for licensure. The general license shall authorize the lottery retailer to conduct the routine sale of tickets at the location specified on the general license. An addendum to the general or provisional license may be obtained as provided for in WAC 315-04-220, permitting the lottery retailer to sell tickets in locations other than that specified on its license. The general license shall be valid until terminated by the lottery or the lottery retailer, provided, the lottery retailer shall provide periodic updates of license information as required by the director.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-04-040, filed 12/16/85; 85-09-004 (Order 72), § 315-04-040, filed 4/5/85. Statutory Authority: RCW 67.70.040 and 67.70.050, 83-05-029 (Order 14), § 315-04-040, filed 2/10/83. Statutory Authority: 1982 2nd ex.s. c 7, 82-21-039 (Order 4), § 315-04-040, filed 10/15/82.]

WAC 315-04-060 Provisional license. (1) The director may issue a provisional license to an applicant for a general license after receipt of a person's fully completed lottery retailer's application, the authorization of a complete personal background check, and completion of a preliminary background check. The provisional license shall expire at the time of issuance of the general license or ninety days from the date the provisional license is issued, whichever occurs first. The provisional license may be extended by the director for one additional ninety-day period of time.

(2) If the ownership of an existing lottery retailer location changes, the director may issue a provisional license to the new owner. The provisional license shall expire twenty working days from the date of issuance if the director has not received the new owner's fully completed lottery retailer's application and authorization of a complete personal background check. If the required materials have been timely received by the director and a preliminary background check has been completed, the provisional license shall expire at the time of issuance of the general license or ninety days from the date the provisional license is issued, whichever occurs first.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-04-060, filed 12/16/85; 85-09-004 (Order 72), § 315-04-060, filed 4/5/85; 84-22-047 (Order 68), § 315-04-060, filed 11/7/84. Statutory Authority: 1982 2nd ex.s. c 7, 82-21-039 (Order 4), § 315-04-060, filed 10/15/82.]

WAC 315-04-070 License fees. (1) The fee for a license application shall be \$15.00.

(2) The fee for a background check shall be \$10.00 regardless of the number of individuals listed on the license application for whom background checks are required. A background check will be required and this fee will be charged when an application for a license lists an individual who does not have on file with the lottery current "personal history information" and "criminal history information" forms.

(3) All fees established in this section or other sections of this title are not refundable with the exception of the fees in subsection (1) of this section which may be refunded if a license is not issued and in subsection (2) of this section which may be refunded if a background check has not been initiated.

[Statutory Authority: RCW 67.70.040, 87-01-058 (Order 97), § 315-04-070, filed 12/16/86; 85-09-004 (Order 72), § 315-04-070, filed 4/5/85; 84-12-057 (Order 58), § 315-04-070, filed 6/4/84; 84-01-002 (Order 41), § 315-04-070, filed 12/8/83; 83-19-019 (Order 36), § 315-04-070, filed 9/12/83. Statutory Authority: 1982 2nd ex.s. c 7, 82-21-039 (Order 4), § 315-04-070, filed 10/15/82.]

WAC 315-04-080 Bad checks submitted as payment for fees. The payment of a fee with a check which for any reason is not promptly paid by the drawee bank

shall be grounds for immediate denial of an application for the license, or for the suspension or revocation of a license issued for which the fee is due. The director shall add \$15.00 to each fee when payment of a check originally submitted is denied by the drawee bank, or when the check is required to be resubmitted for payment for any reason.

[Statutory Authority: 1982 2nd ex.s. c 7, 82-21-039 (Order 4), § 315-04-080, filed 10/15/82.]

WAC 315-04-090 License issuance eligibility. (1) The director may issue a license to any person to act as a lottery retailer who meets the eligibility criteria established by chapter 7, Laws of 1982 2nd ex. sess., and these rules.

(2) Before issuing a license, the director shall consider:

(a) The financial responsibility and security of the person and its business or activity;

(b) The background and reputation of the applicant in the community for honesty and integrity;

(c) The type of business owned or operated by the applicant to ensure consonance with the dignity of the state, the general welfare of the people and the operation and integrity of the lottery;

(d) The accessibility of the applicant's place of business or activity to the public;

(e) The sufficiency of existing licenses to serve the public convenience;

(f) The volume of expected sales;

(g) The veracity of the information supplied in the application for a lottery retailer license; and

(h) The applicant's indebtedness to the state of Washington, local subdivisions of the state and/or the United States government.

(3) The director may condition the issuance of any license upon the posting of a bond in such terms and conditions as the director may require.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-04-090, filed 12/16/85. Statutory Authority: RCW 67.70.040 and 67.70.050, 83-05-029 (Order 14), § 315-04-090, filed 2/10/83. Statutory Authority: 1982 2nd ex.s. c 7, 82-21-037 (Order 2), § 315-04-090, filed 10/15/82.]

WAC 315-04-110 Duplicate licenses. Upon the loss, mutilation or destruction of any license issued by the director, application for a duplicate must be made on a form approved by the director. A statement signed by the lottery retailer which details the circumstances under which the license was lost, mutilated, or destroyed and certifies that such license was, in fact, lost, mutilated or destroyed, shall accompany such application. A mutilated license shall be surrendered to the director upon issuance or denial of a duplicate license. A lost license, when found, must be immediately surrendered to the director.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-04-110, filed 12/16/85; 85-09-004 (Order 72), § 315-04-110, filed 4/5/85. Statutory Authority: 1982 2nd ex.s. c 7, 82-21-039 (Order 4), § 315-04-110, filed 10/15/82.]

WAC 315-04-120 Transfer of license prohibited. Any license issued by the director is personal to the lottery retailer and may not be transferred to another person except in the event of the death or incapacity of licensee as provided in WAC 315-04-130.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-120, filed 12/16/85; 84-12-057 (Order 58), § 315-04-120, filed 6/4/84; 84-09-008 (Order 54), § 315-04-120, filed 4/9/84; 84-01-002 (Order 41), § 315-04-120, filed 12/8/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 (Order 2), § 315-04-120, filed 10/15/82.]

WAC 315-04-125 Change of name or location. Every change of business name or change of location without a change of ownership of a lottery retailer must be reported to the lottery prior to the change. The lottery shall review the change considering standard licensing criteria. Upon the lottery's approval, the lottery shall issue a license in the new name or with the new location address.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-125, filed 12/16/85; 85-09-004 (Order 72), § 315-04-125, filed 4/5/85; 84-01-002 (Order 41), § 315-04-125, filed 12/8/83.]

WAC 315-04-130 Death or incapacity of licensee.

(1) In the event of the proven incapacity, death, receivership, bankruptcy or assignment for benefit of creditors of any lottery retailer, upon approval of the director, the license may be transferred to a court appointed or court confirmed guardian, executor or administrator, receiver, trustee, or assignee for the benefit of creditors, who may continue to operate the activity under the license, subject to the provisions of chapter 7, Laws of 1982 2nd ex. sess. and these rules.

(2) The person to whom a license is transferred hereunder must be otherwise qualified to hold a license.

(3) The license following transfer shall be void upon that person ceasing to hold such a court appointed or court confirmed position.

(4) The director may condition the transfer of any license under this section upon the posting of a bond in such terms and conditions as the director may require.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-130, filed 12/16/85; 85-09-004 (Order 72), § 315-04-130, filed 4/5/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-039 (Order 4), § 315-04-130, filed 10/15/82.]

WAC 315-04-132 Change of business structure, ownership, or officers. (1) Every change of business structure of a person to whom a license has been issued must be reported to the lottery prior to the change. A change of business structure shall mean the change from one form of business organization to another, such as from sole proprietorship to partnership or corporation.

(2) Every substantial change of ownership of a person to whom a license has been issued must be reported to the lottery prior to the change. A substantial change of ownership shall mean the transfer of ten percent or more equity.

(3) Every change of officers of a person to whom a license has been issued must be reported to the lottery not

later than ten days following the effective day of the change.

(4) If such change involves the addition or deletion of one or more owners or officers, the lottery retailer shall submit a license application reflecting the change(s) and any other documentation the director may require.

(5) If such change involves the addition of one or more owners or officers who does not have on file with the lottery current "personal history information" and "criminal history information" forms, each such owner or officer shall submit the required forms.

[Statutory Authority: RCW 67.70.040. 87-01-058 (Order 97), § 315-04-132, filed 12/16/86; 86-01-060 (Order 83), § 315-04-132, filed 12/16/85; 85-09-004 (Order 72), § 315-04-132, filed 4/5/85; 84-12-057 (Order 58), § 315-04-132, filed 6/4/84.]

WAC 315-04-140 License not a vested right. (1)

The possession of a license issued by the director to any person to act as a lottery retailer in any capacity is a privilege personal to that person and is not a legal right.

(2) The possession of a license issued by the director to any person to act as a lottery retailer in any capacity does not entitle that person to sell tickets or obtain materials for any particular game.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-140, filed 12/16/85; 85-09-004 (Order 72), § 315-04-140, filed 4/5/85; 84-01-002 (Order 41), § 315-04-140, filed 12/8/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-039 (Order 4), § 315-04-140, filed 10/15/82.]

WAC 315-04-150 License to be displayed. Every lottery retailer shall conspicuously display its license or a copy thereof, to be provided by the lottery, in an area visible to the general public where tickets are being sold.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-150, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-039 (Order 4), § 315-04-150, filed 10/15/82.]

WAC 315-04-160 Display of material. Lottery retailers shall display lottery point-of-sale material approved by the director in a manner which is readily seen by and available to the public. Upon request, the director may make additional point-of-sale materials available to lottery retailers at no cost or at such costs as determined by the director. Lottery retailers may use and/or display other promotional and point-of-sale material, provided, it is in accord with the image and/or theme established by the lottery, including but not limited to design, script style, color scheme, and logo; and it is consonant with the dignity of the state. The director may require removal of objectionable material and/or its use be discontinued.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-160, filed 12/16/85; 84-22-047 (Order 68), § 315-04-160, filed 11/7/84. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-039 (Order 4), § 315-04-160, filed 10/15/82.]

WAC 315-04-170 Tickets convenient to public. (1) Every lottery retailer shall make the purchase of tickets convenient and readily accessible to the public.

(2) Each lottery retailer shall make tickets available for sale during its normal business hours at the location designated on its license.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-170, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-039 (Order 4), § 315-04-170, filed 10/15/82.]

WAC 315-04-180 Obligations of lottery retailers.

(1) All tickets accepted by the lottery retailer from its assigned depository shall be considered sold to the lottery retailer (unless returned to the depository from which they were obtained within the time specified and as permitted by the director). The purchase price shall be paid to the depository, less the value of lower tier prizes in each book and any discount authorized by these rules.

(2) After acceptance, the lottery retailer is responsible for the condition and security of the tickets and for any losses resulting from tickets which become lost, stolen, mutilated, damaged or otherwise unsaleable. The director shall not reimburse the lottery retailer for any losses which occur after acceptance of the tickets or for which the lottery has no duty or responsibility.

(3) Each lottery retailer shall abide by the law, these rules and all other directives or instructions issued by the director.

(4) Each lottery retailer grants to the director and the commission and employees of the commission an irrevocable license to enter upon the premises of the lottery retailer in which tickets may be sold or any other location under the control of the lottery retailer where the director may have good cause to believe lottery materials and/or tickets are stored or kept in order to inspect said lottery materials and/or tickets and the licensed premises.

(5) All property given, except tickets, to a lottery retailer remains the property of the director, and, upon demand, the lottery retailer agrees to deliver forthwith the same to the director.

(6) All books and records pertaining to the lottery retailer's lottery activities shall be made available for inspection and copying, during the normal business hours of the lottery retailer and between 8:00 a.m. and 5:00 p.m., Monday through Friday, upon demand by the director or employees of the commission.

(7) All books and records pertaining to the lottery retailer's lottery activities shall be subject to seizure by the director or employees of the commission without prior notice.

(8) No lottery retailer shall advertise or otherwise display advertising in any part of the lottery retailer's premises as a licensed location which may be considered derogatory or adverse to the operations or dignity of the lottery and the lottery retailer shall remove any advertising forthwith if requested by the director.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-180, filed 12/16/85; 84-05-008 (Order 51), § 315-04-180, filed 2/7/84; 83-19-019 (Order 36), § 315-04-180, filed 9/12/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 (Order 2), § 315-04-180, filed 10/15/82.]

WAC 315-04-190 Compensation. (1) Lottery retailers shall be entitled to a five percent discount from the retail price of the instant game tickets established by rule for each game.

(2) Lottery retailers authorized to sell on-line tickets shall be entitled to a five percent discount from the total of gross on-line ticket sales less on-line ticket cancellations.

(3) Lottery retailers may receive additional compensation through programs including but not limited to additional discounts, retailer games, retailer awards, and retailer bonuses.

[Statutory Authority: RCW 67.70.040. 86-12-001 (Order 91), § 315-04-190, filed 5/22/86; 86-01-060 (Order 83), § 315-04-190, filed 12/16/85; 84-21-013 (Order 66), § 315-04-190, filed 10/5/84; 84-01-004 (Order 42), § 315-04-190, filed 12/8/83. Statutory Authority: RCW 67.70.040 and 67.70.050. 83-05-029 (Order 14), § 315-04-190, filed 2/10/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-039 (Order 4), § 315-04-190, filed 10/15/82.]

WAC 315-04-200 Denial, suspension or revocation of a license. The director may deny an application for or suspend or revoke any license issued pursuant to these rules for one or more of the following reasons:

(1) Failure to meet or maintain the eligibility criteria for license application and issuance established by chapter 7, Laws of 1982 2nd ex. sess., or these rules;

(2) Failure to account for lottery tickets received or the proceeds of the sale of tickets or to post a bond if required by the director or to comply with the instructions of the director concerning the licensed activity;

(3) Failure to pay to the lottery any obligation when due;

(4) Violating any of the provisions of chapter 7, Laws of 1982 2nd ex. sess., or these rules;

(5) Failure to file any return or report or to keep records required by the director or by these rules;

(6) Failure to pay any federal, state or local tax or indebtedness;

(7) Fraud, deceit, misrepresentation or conduct prejudicial to public confidence in the lottery;

(8) If public convenience is adequately served by other licensees;

(9) Failure to sell a sufficient number of tickets to meet administrative costs;

(10) If there is a history of thefts or other forms of losses of tickets or revenue therefrom;

(11) If there is a delay in accounting or depositing in the designated depository the revenues from the ticket sales;

(12) Has violated, failed or refused to comply with any of the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW (Gambling Act), or chapter 7, Laws of 1982 2nd ex. sess., or when a violation of any provisions of chapter 7, Laws of 1982 2nd ex. sess., has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control;

(13) Knowingly causes, aids, abets or conspires with another to cause any person to violate any of the laws of this state;

(14) Has obtained a license by fraud, misrepresentation, concealment or through inadvertence or mistake;

(15) Has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud, wilful failure to make required payments or reports to a governmental agency at any level, or filing false reports therewith, or of any similar offense or offenses, or of bribing or otherwise unlawfully influencing a public official or employee of any state or the United States, or of any crime, whether a felony or misdemeanor, involving any gambling activity or physical harm to individuals or involving moral turpitude;

(16) Makes a misrepresentation of, or fails to disclose, a material fact to the commission or director on any report, record, application form or questionnaire required to be submitted to the commission or director. Misrepresentation of, or failure to disclose criminal history shall be considered a material fact for purposes of this section;

(17) Denies the commission or director or their authorized representatives, including authorized local law enforcement agencies, access to any place where a licensed activity is conducted, or fails to promptly produce for inspection or audit any book, record, document or item required by law or these rules;

(18) Is subject to current prosecution or pending charges, or a conviction which is under appeal, for any of the offenses indicated under subsection (15) of this section: *Provided*, That at the request of an applicant for an original license, the director may defer decision upon the application during the pendency of such prosecution or appeal;

(19) Has pursued or is pursuing economic gain in an occupational manner or context which is in violation of the criminal or civil public policy of this state if such pursuit creates probable cause to believe that the participation of such person in lottery or gambling or related activities would be inimical to the proper operation of an authorized lottery or gambling or related activity in this state. For the purposes of this section, occupational manner or context shall be defined as the systematic planning, administration, management or execution of an activity for financial gain;

(20) Is a career offender or a member of a career offender cartel or an associate of a career offender or career offender cartel in such a manner which creates probable cause to believe that the association is of such a nature as to be inimical to the policy of this state or to the proper operation of the authorized lottery or gambling or related activities in this state. For the purposes of this section, career offender shall be defined as any person whose behavior is pursued in an occupational manner or context for the purpose of economic gain utilizing such methods as are deemed criminal violations of the public policy of this state. A career offender cartel shall be defined as any group of persons who operate together as career offenders;

(21) Failure to follow the instructions of the director for the conduct of any particular game or special event;

(22) Failure to follow security procedures of the director for the handling of tickets or for the conduct of any particular game or special event;

(23) Makes a misrepresentation of fact to the purchaser, or prospective purchaser, of a ticket, or to the general public with respect to the conduct of a particular game or special event;

(24) Failure to comply with lottery point-of-sale requirements which have been published and disseminated to lottery retailers; or

(25) Failure or inability to meet financial obligations as they fall due in the normal course of business.

[Statutory Authority: RCW 67.70.040. 87-01-058 (Order 97), § 315-04-200, filed 12/16/86; 85-16-031 (Order 77), § 315-04-200, filed 7/30/85; 85-09-004 (Order 72), § 315-04-200, filed 4/5/85. Statutory Authority: RCW 67.70.040 and 67.70.050. 83-07-022 (Order 17), § 315-04-200, filed 3/11/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 and 82-21-068 (Orders 2 and 2A), § 315-04-200, filed 10/15/82 and 10/20/82.]

WAC 315-04-210 Procedure if license is suspended or revoked. Upon revocation or suspension of a lottery retailer's license for any reasons whatsoever, the lottery retailer must appear at its assigned depository or before the director or his or her designee, by a date designated by the director for the purpose of rendering a final lottery accounting, the surrender of the lottery retailer's license, his or her identification card and other lottery property. Upon the lottery retailer's failure to appear by the designated date to render a final accounting, or otherwise to surrender the license, identification card and other lottery property as instructed, the depository shall immediately notify the director by telephone and confirm in writing.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-210, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-039 (Order 4), § 315-04-210, filed 10/15/82.]

WAC 315-04-220 Limited off premises sales permit. (1) The director may permit any lottery retailer who has been issued a general or provisional license to sell tickets in locations other than that specified on its license and to employ persons to make such sales provided that:

(a) A lottery retailer requesting a "limited off premises sales permit" shall submit an application, completed in its entirety, using a form approved by the director.

(b) An application for a "limited off premises sales permit" for instant lottery tickets must be submitted to the lottery a minimum of thirty days prior to the event to provide adequate time for processing. An application for a "limited off premises sales permit" for on-line games must be submitted a minimum of sixty days prior to the event to provide adequate time for processing. Applications received after these time limits may not be approved.

(c) The geographical area and type of location in which such sales are requested shall be individually approved by the director.

(d) Each lottery retailer making such sales shall be individually approved by the director and shall display identification in such form and manner as shall be prescribed by the director.

(e) The lottery retailer and its employees shall abide by such other instructions and restrictions as may be prescribed by the director to govern such sales.

(2) The lottery retailer's license shall bear an addendum with the phrase "limited off premises sales permitted," and the licensed agent shall display with its license the addendum which sets forth the terms and conditions under which such sales may be made. A photocopy of the addendum shall be posted at each location where off premises sales are permitted.

(3) Lottery retailers must redeem low-tier winning tickets sold at the off premises location at that location and at their licensed location. The location of the licensed location must be posted at the off premises location. Lottery retailers must also provide claim forms to holders of high-tier winning tickets at both locations.

(4) The "limited off premises sales permit" shall be valid for not more than thirty days and may be renewed twice, if approved by the director, for periods not to exceed thirty days each.

(5) Lottery retailers granted "limited off premises sales permits" will not be required to conduct other licensed business activities at the off premises locations.

(6) Lottery retailers granted "limited off premises sales permits" shall bear all costs associated with such sales including but not limited to construction of booths, stands, etc.; telephone line installation; telephone line charges and installation of a dedicated electric circuit.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-04-220, filed 12/16/85; 85-13-015 (Order 75), § 315-04-220, filed 6/10/85. Statutory Authority: RCW 67.70.040 and 67.70.050. 83-05-029 (Order 14), § 315-04-220, filed 2/10/83.]

WAC 315-04-230 Licensing of enterprises operated by or subject to jurisdiction of Indian tribes. (1) The director is authorized to license as lottery retailers businesses which are operated by federally recognized Indian tribes, or operated upon lands subject to the jurisdiction of such Indian tribes, if the tribal council of the tribe having jurisdiction has passed an ordinance agreeing to the following provisions:

(a) All matters relating to the issuance and revocation of such license, as well as the manner in which the sale of lottery tickets is conducted by the licensee, shall be governed exclusively by the laws of the state of Washington, and no inconsistent tribal laws, ordinances, or rules exist or will be enacted.

(b) In the event of litigation involving the issuance or revocation of any such license, the conduct of the business as a lottery retailer, the financial relationship between any licensee and the lottery or any other matter connected with the lottery or its operation, the courts of the state of Washington shall have jurisdiction, and venue shall be proper only in Thurston County.

(c) Administrative disputes shall be submitted to the jurisdiction of the director, Washington state lottery, or any lawfully appointed designee thereof, and shall be conducted in accordance with Washington state law.

(d) Lottery employees and vendors, including investigators and enforcement officers, may enter upon trust lands and property including lands owned by the tribe or

its members, solely for the purposes of conducting investigations and enforcing the provisions of chapter 67.70 RCW.

(2) A certified copy of such ordinance shall be filed along with the application for licensure of any business located on Indian lands, or operated by an Indian tribe.

(3) In the event any law of the state of Washington relating to matters contained in subsection (1) of this section is enacted, modified or repealed, tribal laws, ordinances or rules must be changed to be consistent with the revised laws of the state of Washington. The director may (a) suspend licenses issued pursuant to this section pending tribal council action to make such changes, and/or (b) revoke such licenses if the required changes are not made within ninety days.

[Statutory Authority: RCW 67.70.040. 87-01-057 (Order 96), § 315-04-230, filed 12/16/86.]

Chapter 315-06 WAC GENERAL LOTTERY RULES

WAC

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315-06-180	Stolen or lost tickets.
315-06-190	Erroneous or mutilated tickets.
315-06-200	Returned tickets.
315-06-210	Law enforcement.

WAC 315-06-010 Operation of the lottery. The director shall conduct only those types of games which are authorized by these rules and meet the criteria set forth herein.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-010, filed 10/15/82.]

WAC 315-06-020 Authorization to sell tickets. Lottery retailers are authorized, as limited by WAC 315-04-140, to sell tickets directly to the public. Retail outlets of the state liquor control board are not required to be licensed as lottery retailers.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-020, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7 §§ 4 and 8. 83-03-034 (Order 10), § 315-06-020, filed 1/14/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 (Order 2), § 315-06-020, filed 10/15/82.]

WAC 315-06-030 Lottery retailer's instructions.

Each lottery retailer is to conform to the instructions and requirements established by the director for the delivery and return of tickets, the location and display of lottery materials, the conduct of a specific game, or other lottery business.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-06-030, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7, 82-21-040 (Order 5), § 315-06-030, filed 10/15/82.]

WAC 315-06-035 Instant ticket purchase price and conditions. (1) The lottery retailer's purchase price for each pack of instant tickets shall be the retail price of the pack less the value of the pack's low-tier prizes less the retailer discount authorized pursuant to WAC 315-04-190. Lottery retailers shall reimburse the lottery for each low-tier prize payment made by the lottery for winning tickets purchased from the lottery retailer.

(2) Lottery retailers shall make payment to the lottery by business check, cashier's check, certified check, or money order. The director may designate the form of payment.

(3) The director shall establish payment terms for purchase of instant tickets and shall issue instructions for such payments to lottery retailers.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-06-035, filed 12/16/85; 85-09-004 (Order 72), § 315-06-035, filed 4/5/85.]

WAC 315-06-040 Disclosure of probability of purchasing a winning ticket. (1) The estimated average probability of purchasing a winning ticket shall be conspicuously displayed on the back of tickets for a specific game. The estimated average probability of purchasing a winning ticket for each category of prize in a specific game shall be conspicuously displayed on:

(a) All printed promotional and advertising materials for a specific game, including but not limited to, brochures, posters, billboards, placards, and point-of-sale displays; and

(b) Instructions to lottery retailers for the conduct of a specific game.

(2) The disclosure required by this section shall not apply to generic promotional and advertising materials publicizing the Washington state lottery which do not promote a specific game.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-06-040, filed 12/16/85; 84-01-004 (Order 42), § 315-06-040, filed 12/8/83. Statutory Authority: 1982 2nd ex.s. c 7, 82-21-040 (Order 5), § 315-06-040, filed 10/15/82.]

WAC 315-06-050 Location of sale. Tickets may be sold by any person who is issued a license to act as a lottery retailer at the location specified on the license, subject to the director's authority as set forth in sections 5 and 7, chapter 7, Laws of 1982 2nd ex. sess., and these rules.

No such sales shall be made on premises used primarily for residential purposes, in or on the property of any school, or in or upon the property of any facility operated primarily for providing welfare services to the

poor or infirmed, or in any facility maintained solely for religious worship.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-06-050, filed 12/16/85. Statutory Authority: RCW 67.70.040 and 67.70.050, 83-05-029 (Order 14), § 315-06-050, filed 2/10/83. Statutory Authority: 1982 2nd ex.s. c 7, 82-21-037 (Order 2), § 315-06-050, filed 10/15/82.]

WAC 315-06-060 Price of tickets--Limitations.

No lottery retailer may sell a ticket at a price greater or less than that established in accordance with these rules.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-06-060, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7 §§ 4 and 11, 83-03-034 (Order 10), § 315-06-060, filed 1/14/83.]

WAC 315-06-070 Purchaser's obligations. In purchasing a ticket, the purchaser agrees to comply with chapter 7, Laws of 1982 2nd ex. sess., these rules, the final decisions of the director, and all procedures established by the director for the conduct of games.

[Statutory Authority: 1982 2nd ex.s. c 7, 82-21-040 (Order 5), § 315-06-070, filed 10/15/82.]

WAC 315-06-080 Certain purchases of tickets, gratuities, and certain winning of prizes prohibited. Certain purchases of tickets, certain winning and sharing of prizes, and gratuities are prohibited as follows:

(1) A ticket shall not be purchased by, and a prize shall not be paid to any member or employee of the commission or to any spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of abode of any member or employee of the commission, or to any assistant attorney general assigned to advise the commission or director.

(2) A prize claimed by a holder of a winning ticket shall not be shared with any member or employee of the commission or any spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of abode of any member or employee of the commission.

(3) No gratuities offered by prize winners, vendors, contractors, or others conducting business with the lottery, may be accepted by lottery retailers or by any member or employee of the commission or any spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of abode of any member or employee of the commission.

(4) A ticket shall not be purchased by, and a prize shall not be paid to any CPA accounting firm, or its employees, retained by the director of financial management pursuant to sections 31 and 32, chapter 7, Laws of 1982 2nd ex. sess. or any employee of the director of financial management performing a management review or audit of the commission or director.

(5) A ticket shall not be sold to or purchased by any person under the age of eighteen. Nothing in this section shall prohibit the purchase of a ticket for the purpose of making a gift by a person eighteen years of age or older to a person less than that age.

(6) A ticket shall not be purchased with food stamps or coupons and a lottery retailer shall not accept as consideration for a ticket food stamps or coupons.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-080, filed 12/16/85; 84-22-047 (Order 68), § 315-06-080, filed 11/7/84. Statutory Authority: 1982 2nd ex.s. c 7 §§ 4 and 5. 83-03-033 (Order 9), § 315-06-080, filed 1/14/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 (Order 2), § 315-06-080, filed 10/15/82.]

WAC 315-06-090 Slot machines prohibited. The following coin-operated machines shall not be used in the conduct of games:

- (1) Coin-operated, instant video games which pay out prizes, either by skill or chance; and
- (2) Coin-operated slot machines which dispense lottery tickets unattended by a lottery retailer.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-090, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-090, filed 10/15/82.]

WAC 315-06-100 Data processing terminals for the dispensing of tickets authorized. On-line data-processing ticket vending terminals for use by lottery retailers in the issuing of tickets may be used in the conduct of games.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-100, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-100, filed 10/15/82.]

WAC 315-06-110 Conversion to data processing vending terminals. The director reserves the right upon thirty days' notice to the lottery retailer to convert any licensed location from a manual-type operation to an on-line data processing ticket vending terminal operation and from a vending terminal operation on either a rental or purchase basis to a manual-type operation in the sale and distribution of tickets.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-110, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-110, filed 10/15/82.]

WAC 315-06-120 Payment of prizes--General provisions. (1) The director may designate claim centers for the filing of prize claims, and the location of such centers shall be publicized from time to time by the director.

(2) A claim shall be entered in the name of a single legal entity as claimant, either one individual or one organization. The claimant must show his or her Social Security number (SSN) or the organization's federal employer's identification number (FEIN) on the lottery winner claim form. A claim may be entered in the name of an organization only if the organization is a legal entity and possesses a federal employer's identification number (FEIN) as issued by the internal revenue service and such number is shown on the claim form. Groups, family units, organizations, clubs, or other organizations which are not a legal entity, or do not possess a federal employer's identification number, shall designate one individual in whose name the claim is to be entered.

(3) Unless otherwise provided in the rules for a specific type of game, a claimant shall sign the back of the ticket and/or complete and sign a claim form approved by the director. The claimant shall submit the claim

form and/or claimant's ticket to the lottery in accordance with the director's instructions as stated in the players' manual and/or on the back of the ticket or submit a request for reconstruction of an alleged winning ticket and sufficient evidence to enable reconstruction and that the claimant had submitted a claim for the prize, if any, for that ticket. The claimant, by submitting the claim or request for reconstruction, agrees to the following provisions:

(a) The discharge of the state, its officials, officers, and employees of all further liability upon payment of the prize; and

(b) The authorization to use the claimant's name for publicity purposes upon award of the prize.

(4) A prize must be claimed within the time limits prescribed by the director in the instructions for the conduct of a specific game, but in no case shall a prize be claimed later than one hundred eighty days after the official end of that instant game or the on-line game drawing for which that on-line ticket was purchased.

(5) The director may deny awarding a prize to a claimant if:

(a) The ticket was not legally issued initially;

(b) The ticket was stolen from the commission, director, its employees or retailers, or from a lottery retailer; or

(c) The ticket has been altered or forged, or has otherwise been mutilated such that the authenticity of the ticket cannot be reasonably assured by the director.

(6) The director may delay payment of any prize that exceeds six hundred dollars and debts are owed by the claimant to a state agency or political subdivision, or that the state is authorized to enforce or collect as provided in WAC 315-06-125.

(7) No person entitled to a prize may assign his or her right to claim it except:

(a) That payment of a prize may be made to any court appointed legal representative, including, but not limited to, guardians, executors, administrators, receivers, or other court appointed assignees; or

(b) For the purposes of paying federal, state or local tax.

(8) In the event that there is a dispute or it appears that a dispute may occur relative to any prize, the director may refrain from making payment of the prize pending a final determination by the director or by a court of competent jurisdiction relative to the same.

(9) A ticket that has been legally issued by a lottery retailer is a bearer instrument until signed. The person who signs the ticket is considered the bearer of the ticket. Payment of any prize may be made to the bearer, and all liability of the state, its officials, officers, and employees and of the commission, director and employees of the commission terminates upon payment.

(10) All prizes shall be paid within a reasonable time after the claims are validated by the director and a winner is determined. Provided, prizes paid for claims validated pursuant to WAC 315-10-070(2) shall not be paid prior to one hundred eighty-one days after the official end of that instant game. The date of the first installment payment of each prize to be paid in

installment payments shall be the date the claim is validated. Subsequent installment payments shall be made as follows:

(a) If the prize was awarded as the result of a drawing conducted by the lottery, installment payments shall be made weekly, monthly, or annually from the date of the drawing in accordance with the type of prize awarded; or

(b) If the prize was awarded in a manner other than a drawing conducted by the lottery, installment payments shall be made weekly, monthly, or annually from the date the claim is validated in accordance with the type of prize awarded.

(11) The director may, at any time, delay any payment in order to review a change of circumstances relative to the prize awarded, the payee, the claim or any other matter that may have come to his or her attention. All delayed payments shall be brought up to date immediately upon the director's confirmation and continue to be paid on each originally scheduled payment date thereafter.

(12) If any prize is payable for the life of the claimant, only a natural person may claim such a prize and, if claiming on behalf of a group, corporation or the like, the life of such natural person claiming the prize shall be the measuring life.

(13) The director's decisions and judgments in respect to the determination of a winning ticket or of any other dispute arising from the payment or awarding of prizes shall be final and binding upon all participants in the lottery.

(14) Each lottery retailer shall pay all prizes authorized to be paid by the lottery retailer by these rules during its normal business hours at the location designated on its license.

(15) In the event a dispute between the director and the claimant occurs as to whether the ticket is a winning ticket, and if the ticket prize is not paid, the director may, solely at his or her option, replace the disputed ticket with an unplayed ticket (or tickets of equivalent sales price from any game). This shall be the sole and exclusive remedy of the claimant.

[Statutory Authority: RCW 67.70.040, 87-01-057 (Order 96), § 315-06-120, filed 12/16/86; 86-01-060 (Order 83), § 315-06-120, filed 12/16/85; 85-16-031 (Order 77), § 315-06-120, filed 7/30/85; 84-19-045 (Order 64), § 315-06-120, filed 9/17/84; 84-09-008 (Order 54), § 315-06-120, filed 4/9/84; 84-01-002 (Order 41), § 315-06-120, filed 12/8/83. Statutory Authority: RCW 67.70.040 and 67.70.050, 83-05-029 (Order 14), § 315-06-120, filed 2/10/83.]

WAC 315-06-125 Debts owed the state. (1) The terms used in RCW 67.70.255 and these regulations are defined as follows:

(a) Creditor - Any state agency or political subdivision of this state that maintains records of debts owed to the state or political subdivision, or that the state is authorized to enforce or collect.

(b) Debt - A judgment rendered by a court of competent jurisdiction or obligations established pursuant to RCW 50.20.190, 71.02.411, 74.04.300, 74.20A.040, and 74.20A.055 or administrative orders as defined in RCW 50.24.110 and 74.20A.020(6).

(c) State - The state of Washington.

(d) Two working days - Two days not to include Saturdays, Sundays, and holidays as defined in RCW 1.16-.050 commencing the day following the date the claim was validated by the lottery.

(e) Verification - A facsimile or photo copy of a judgment or final order received by the lottery during the requisite two working day period.

(2) Any creditor may submit, to the lottery, in a format specified by the director, data processing tapes containing debt information specified by the director. Tapes which do not contain the required information or are not in the proper format will be returned to the creditor. The creditor submitting debt information tapes shall provide replacement tapes on a regular basis at intervals not to exceed one month or less than one week. The creditor shall be solely responsible for the accuracy of the information contained therein.

(3) Creditors submitting data processing tapes to the lottery shall also submit the name or names of designated contact persons.

(4) The lottery shall include the debt information submitted by the creditor in its validation and prize payment process. The lottery shall delay payment of a prize, exceeding six hundred dollars, for a period not to exceed two working days, to any person owing a debt to a creditor pursuant to the information submitted in subsection (2) of this section. The lottery shall make a reasonable attempt to contact the creditor's designated contact person(s) by phone, followed by written correspondence, to verify the debt. Three phone calls, excluding busy signals, shall constitute a reasonable attempt. The prize shall be paid to the claimant if the debt is not verified by the submitting creditor within two working days. If the debt is verified, the prize shall be disbursed pursuant to subsection (6) of this section.

(5) A creditor shall verify the debt by submitting to the lottery at lottery headquarters in Olympia, Washington within the requisite two working day period, a facsimile or photocopy of a judgment or final order which is the basis for the debt.

(6) Prior to disbursement, any verified debts owed to a creditor by the winner of any lottery prize exceeding six hundred dollars shall be set off against the prize owing to the winner. In the event a prize winner owes debts to more than one creditor, and the total prize is insufficient to pay all debts, the set off shall be paid to the creditors on a pro rata basis based on the amount of debt owed to each creditor unless priority is established by statute.

[Statutory Authority: RCW 67.70.040, 87-01-057 (Order 96), § 315-06-125, filed 12/16/86.]

WAC 315-06-130 Prizes payable after death or disability of owner. (1) All prizes or a portion thereof which remain unpaid at the time of the prize winner's death shall be payable to the court appointed representative of the prize winner's estate once satisfactory evidence of said representative appointment has been

presented to the director, claim forms have been properly filled out, and the director is satisfied that such payment is lawful and proper.

(2) Prize moneys will be paid according to the law of descent and distribution, chapter 11.04 RCW, of the state of Washington if the owner thereof dies intestate regardless of whether the prize winner was domiciled at the time of the prize winner's death in the state of Washington.

(3) The director may rely wholly on the presentment of certified copies of a court's appointment of an administrator or executor, guardian, conservator or on any other evidence of a person entitled to the payment of any prize winnings then due.

(4) The payment to the estate of the deceased owner of any prize winnings by the director shall absolve the director, the commission and employees of the commission of any further liability for payment of said prize winnings. The director need not look to the payment of the prize winnings beyond the payee thereof.

(5) The estate of a deceased prize winner may elect to have the payment of an installment prize accelerated and paid to the estate at the installment prize's present cash value in lieu of receiving continued payments.

(6) The director may petition any court of competent jurisdiction to request a determination for the payments of any prize winnings which are or may become due the estate of a deceased owner or an owner under a disability because of, but not limited to, underage, mental deficiency, or physical or mental incapacity.

(7) If the legatee(s) or heir(s) of a deceased owner entitled to prize winnings obtains an order from a court of competent jurisdiction directing payments due and to become due from the director to be paid directly to said legatee(s) or heir(s) or otherwise directs the director to make payments to another in the event of an owner's disability or otherwise, the director shall pay the prize winnings accordingly.

[Statutory Authority: RCW 67.70.040, 84-05-008 (Order 51), § 315-06-130, filed 2/7/84. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-037 (Order 2), § 315-06-130, filed 10/15/82.]

WAC 315-06-140 Lottery accounts and depositories. (1) The director may make depository arrangements with any person, including a bank, to perform such functions, activities or services in connection with the operation of the lottery as he or she may deem advisable. Such functions, activities and services shall constitute lawful functions, activities and services in behalf of lottery business unless otherwise prohibited by law.

(2) Unless otherwise directed by the director, each depository shall provide the lottery with weekly or other periodic statements of all transactions made during the sales week immediately preceding or for other periods, said accounting to be submitted in writing on forms provided by the director no later than such time as requested by the director. All deposits shall be secured in accordance with applicable state and federal laws. Each depository may be compensated for its services rendered in such manner as the director may determine.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-140, filed 10/15/82.]

WAC 315-06-150 Assignment of depository. Each lottery retailer may be assigned a designated depository from which to take delivery of tickets, in which to deposit receipts from the sale of tickets, and otherwise to account for the lottery retailer's transactions. The depository shall be notified of each authorized lottery retailer which it will service. Each depository may rely upon such notification in its dealings with the lottery retailers until notified to the contrary by the director as long as the lottery retailer presents a lottery retailer form bearing an authorized signature and his or her lottery retailer identification card.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-06-150, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-150, filed 10/15/82.]

WAC 315-06-160 Lottery retailer's identification card. (1) The director will issue to each lottery retailer an identification card which must be presented by it or its authorized representative when taking delivery of tickets from the authorized depositories. No depository shall issue any tickets until the lottery retailer or its authorized representative presents its identification card and fulfills all instructions of the director.

(2) In the event the identification card is lost or otherwise misplaced the lottery retailer must immediately notify by telephone its assigned depository and the director, and confirm the loss in writing within 24 hours to the director. The depository shall not, in any way, transact business with any person presenting himself or herself with the reported lost identification card until otherwise notified by the director.

(3) Each lottery retailer shall give notice in writing to the lottery retailer's assigned depository and to the director the name and address of each person in his or her business who is authorized to request and to take delivery of tickets, to deposit receipts from the sale of tickets and to otherwise have dealings with the depository. Each authorized person must identify himself or herself to the depository by means of a lottery retailer's identification card received from the director before tickets are delivered. Each lottery retailer is restricted to his or her assigned depository for the purpose of conducting lottery business in conformity to law, and these rules, unless otherwise instructed by the director.

(4) Upon the loss, mutilation or destruction of any identification card issued by the director, application for a duplicate must be made on a form approved by the director. A statement signed by the lottery retailer which details the circumstances under which the identification card was lost, mutilated, or destroyed and certifies that such identification card was, in fact, lost, mutilated or destroyed, shall accompany such application. A mutilated identification card shall be surrendered to the director upon issuance or denial of a duplicate. A lost identification card, when found, must be immediately surrendered to the director.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-160, filed 12/16/85. Statutory Authority: RCW 67.70.040 and 67.70.050. 83-05-029 (Order 14), § 315-06-160, filed 2/10/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-160, filed 10/15/82.]

WAC 315-06-170 Deposits of lottery revenues. (1) Each lottery retailer shall purchase the tickets distributed to it and the monies for payment of these tickets shall be deposited to the credit of the state lottery account in a designated depository. Deducted from the total purchase cost to the lottery retailer, in such manner as the director may require shall be the amount, if any, which the lottery retailer may pay as prizes and which it may retain as compensation for its services in accordance with these rules. The lottery retailers shall be required to file with the director periodic reports of their respective receipts and transactions in the sale of tickets in such form as approved by the director.

(2) Each lottery retailer shall account to its assigned depository for all proceeds resulting from its sales of tickets within such time as may be specified by the director for any particular type or kind of lottery which may be authorized by the commission.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-170, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-170, filed 10/15/82.]

WAC 315-06-180 Stolen or lost tickets. A lottery retailer is considered the owner of all tickets it accepts from the lottery and is responsible for ticket security and for maintaining a record of current ticket inventory.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-180, filed 12/16/85; 83-19-019 (Order 36), § 315-06-180, filed 9/12/83. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-180, filed 10/15/82.]

WAC 315-06-190 Erroneous or mutilated tickets.

(1) Tickets erroneously made out or in any way mutilated when received by a lottery retailer are to be returned by the lottery retailer immediately to the depository servicing said lottery retailer. Credit may be allowed for said tickets but only at the point of original sale to the lottery retailer. No credit shall be allowed if the authenticity of the ticket cannot be reasonably determined by the director.

(2) Unless the director is satisfied that a mutilated ticket is authentic, no credit or prize will be issued to the holder of said ticket.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-190, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-190, filed 10/15/82.]

WAC 315-06-200 Returned tickets. All tickets once returned by a lottery retailer may not be reissued without prior approval of the director.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-06-200, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-200, filed 10/15/82.]

WAC 315-06-210 Law enforcement. (1) The director shall be the chief law enforcement officer, pursuant to section 33, chapter 7, Laws of 1982 [2nd] ex. sess.,

for the purposes of enforcing such chapter, and the penal laws of this state relating to the conduct of or participation in lottery activities.

(2) The director shall appoint in accordance with the laws of the state of Washington a sufficient number of competent persons to act as Washington state lottery law enforcement officers, may remove them from a law enforcement capacity without cause, and shall define their rank and duties.

(3) The director may appoint employees to serve as special deputies, with such restricted police authority as the director shall designate as being necessary and consistent with their assignment to duty.

(4) The director shall apply for certification as a criminal justice agency pursuant to WAC 446-20-050 and shall designate specific employees for the collection and dissemination of criminal history record information, and for undercover audit or investigative work or other security operations.

(5) The director shall issue a badge and identification card to each employee designated as a lottery law enforcement officer.

(6) The director shall develop cooperative arrangements with other criminal justice agencies in the state of Washington for enforcement of laws related to lottery activities.

(7) The director shall issue guidelines for the conduct of lottery law enforcement personnel.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-040 (Order 5), § 315-06-210, filed 10/15/82.]

Chapter 315-10 WAC INSTANT GAMES--GENERAL RULES

WAC

315-10-010	Instant games—Authorized—Director's authority.
315-10-020	Definitions.
315-10-030	Instant games criteria.
315-10-040	Confidentiality of tickets.
315-10-050	Notification to commission.
315-10-060	Official end of game.
315-10-070	Ticket validation requirements.

WAC 315-10-010 Instant games--Authorized--Director's authority. (1) The commission hereby authorizes instant games which meet the criteria set forth in this chapter.

(2) The director is hereby authorized to select, operate and contract relating to and for the operation of instant games which meet the criteria set forth in this chapter.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-10-010, filed 10/15/82.]

WAC 315-10-020 Definitions. (1) Ticket. The ticket purchased for participation in an instant game.

(2) Instant game. A game in which a ticket is purchased and upon removal of a latex covering on the front of the ticket, the ticket bearer determines his or her winnings, if any.

(3) Ticket bearer. The person who has signed the ticket or has possession of the unsigned ticket.

(4) Play symbols. The numbers or symbols appearing in the designated areas under the removable covering on the front of the ticket. Play symbols were formerly called play numbers. Both terms shall have the same meaning.

(5) Validation number. The multi-digit number found on the ticket and on any ticket stub. There must be a validation number on the ticket or any stub.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-10-020, filed 12/16/85; 84-05-008 (Order 51), § 315-10-020, filed 2/7/84. Statutory Authority: RCW 67.70.040 and 67.70.050, 83-05-029 (Order 14), § 315-10-020, filed 2/10/83. Statutory Authority: 1982 2nd ex.s. c 7, 82-21-038 (Order 3), § 315-10-020, filed 10/15/82.]

WAC 315-10-030 Instant games criteria. (1) The price of an instant game ticket shall not be less than \$1.00 and not more than \$5.00.

(2) Winners of an instant game are determined by the matching or specified alignment of the play numbers on the tickets. The ticket bearer must notify the lottery of the win and submit the winning ticket to the lottery as specified by the director. The winning ticket must be validated by the lottery through use of the validation number and/or any other means as specified by the director.

(3) The total of all prizes available to be won in an instant game shall not be less than forty-five percent of the instant game's projected revenue.

(4) The instant game shall pay out both lower tier prizes and higher tier prizes. Lower tier prizes are of less than \$25.00. Higher tier prizes are of \$25.00 or more. The director shall determine the number of lower and higher tier prizes.

(5) The start date and closing date of the instant game shall be publicly announced. Lottery retailers shall not sell any tickets prior to the start date of a game unless expressly authorized by the director. Lottery retailers may continue to sell tickets for each instant game for up to fourteen days after the official end of game as authorized by WAC 315-10-060.

(6) There is no required frequency of drawing or method of selection of a winner in an instant game.

(7) At the director's discretion, an instant game may include a grand prize drawing(s). The criteria for the grand prize drawing shall be as follows:

(a) Finalists for a grand prize drawing shall be selected in an elimination drawing(s) from redeemed tickets meeting the criteria stated in specific game rules as determined by the director. Participation in the elimination drawing(s) shall be limited to such tickets which are actually received and validated by the director on or before a date to be announced by the director. The director may reserve the right to place any semi-finalist whose entry was not entered in the elimination drawing(s) and who is subsequently determined to have been entitled to such entry into an elimination drawing of a subsequent instant game, and the determination of the director shall be final.

(b) The number of prizes and the amount of each prize in the grand prize drawing(s) shall be determined by the director to correspond with the size and length of the instant game and to comply with subsection (3) of this section.

(c) The dates and times as well as the procedures for conducting the elimination drawing and grand prize drawing shall be determined by the director.

(8) Procedures for claiming instant game prizes are as follows:

(a) To claim an instant game prize of less than \$25.00, the claimant shall present the apparent winning ticket to the lottery retailer from whom the ticket was purchased. The lottery retailer shall verify the claim and, if acceptable, make payment of the amount due the claimant. In the event the lottery retailer cannot verify the claim, the claimant shall fill out a claim form, as provided in WAC 315-06-120, which shall be obtained from the lottery retailer and present the completed form, together with the disputed ticket to the director. If the claim is validated by the director, a check shall be forwarded to the claimant in payment of the amount due. In the event that the claim is not validated by the director, the claim shall be denied and the claimant shall be promptly notified.

(b) To claim an instant prize of \$25.00 or more, the claimant shall complete a claim form, as provided in WAC 315-06-120, which is obtained from the lottery retailer or the director and mail the completed form together with the winning ticket to the director. Upon validation by the director, a check shall be forwarded to the claimant in payment of the amount due, less any applicable federal income tax withholding. In the event that the claim is not validated by the director, the claim shall be denied and the claimant shall be promptly notified.

(c) To claim an instant prize pursuant to WAC 315-10-070(2), the claimant shall notify the lottery of the claim and request reconstruction of the ticket not later than one hundred eighty days after the official end of that instant game. If the director authorizes reconstruction, the ticket shall not be validated nor the prize paid prior to the one hundred eighty-first day following the official end of that instant game. A ticket(s) validated pursuant to WAC 315-10-070(2) shall not entitle the claimant entry into the grand prize drawing, if any, for that or any subsequent instant game.

(d) Any ticket not passing all the validation checks specified by the director is invalid and ineligible for any prize and shall not be paid. However, the director may, solely at his or her option, replace an invalid ticket with an unplayed ticket (or tickets of equivalent sales price from any other current game). In the event a defective ticket is purchased, the only responsibility or liability of the director shall be the replacement of the defective ticket with another unplayed ticket (or tickets of equivalent sale price from any other current game).

[Statutory Authority: RCW 67.70.040, 85-22-057 (Order 81), § 315-10-030, filed 11/5/85; 85-16-031 (Order 77), § 315-10-030, filed 7/30/85; 85-09-004 (Order 72), § 315-10-030, filed 4/5/85; 84-05-008 (Order 51), § 315-10-030, filed 2/7/84; 83-16-029 (Order 30), § 315-10-030, filed 8/27/83. Statutory Authority: 1982 2nd ex.s. c 7 § 4, 83-03-034 (Order 10), § 315-10-030, filed 1/14/83. Statutory

Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-10-030, filed 10/15/82.]

WAC 315-10-040 Confidentiality of tickets. No lottery retailer or its employees or agents shall attempt to ascertain the numbers or symbols appearing in the designated areas under the removable latex coverings or otherwise attempt to identify winning tickets.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-10-040, filed 12/16/85. Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-10-040, filed 10/15/82.]

WAC 315-10-050 Notification to commission. The director shall provide commission members with written notification within five days of the selection of a specific instant game which meets the criteria set forth in this chapter. The chairman or a quorum of the commission may call a special meeting to review the instant game selection. Any order executed by the director for the operation of a specific instant game shall contain a provision that the order is null and void if the commission disapproves of the instant game selection. The commission may not disapprove of an instant game selection more than five days after receiving written notice of the selection.

[Statutory Authority: 1982 2nd ex.s. c 7. 82-21-038 (Order 3), § 315-10-050, filed 10/15/82.]

WAC 315-10-060 Official end of game. (1) The director shall announce the official end of each instant game. A player may submit a low-tier winning ticket to the lottery retailer from whom the ticket was purchased or the lottery and a high-tier winning ticket to the lottery for prize payment up to one hundred and eighty days after the official end of game. In order to participate in a grand prize drawing a player must redeem a ticket which qualifies for entry into that grand prize drawing within the time limits set forth in chapter 315-11 WAC governing the conduct of that specific game.

(2) A lottery retailer may continue to sell tickets for each instant game up to fourteen days after the official end of that game.

(3) A lottery retailer must return to the lottery unsold lottery tickets for each game within ninety days after the official end of that game in order to receive credit from the lottery as provided for in director's instructions to lottery retailers or the interlocal cooperative agreement between the lottery and the state liquor control board. The lottery has no obligation to grant credit for tickets returned more than ninety days after the official end of game.

[Statutory Authority: RCW 67.70.040, 86-12-002 (Order 92), § 315-10-060, filed 5/22/86; 86-01-060 (Order 83), § 315-10-060, filed 12/16/85; 85-09-004 (Order 72), § 315-10-060, filed 4/5/85; 84-05-008 (Order 51), § 315-10-060, filed 2/7/84; 84-01-004 (Order 42), § 315-10-060, filed 12/8/83.]

WAC 315-10-070 Ticket validation requirements. (1) To be a valid Washington state lottery instant game ticket, a ticket must meet all of the following validation requirements.

(a) The ticket must have been issued by the director in an authorized manner.

(b) The ticket must not be altered, unreadable, or tampered with in any manner.

(c) The ticket must not be counterfeit in whole or in part.

(d) The ticket must not be stolen nor appear on any list of omitted tickets on file with the lottery.

(e) The ticket must be complete and not blank or partially blank, miscut, misregistered, defective, or printed or produced in error.

(f) The ticket must have exactly one play symbol and exactly one caption under each of the rub-off spots, exactly one pack-ticket number, exactly one agent verification code, and exactly one validation number. They must be present in their entirety, legible, right-side up, and not reversed in any manner.

(g) The validation number of an apparent winning ticket shall appear on the lottery's official list of validation numbers of winning tickets; and a ticket with that validation number shall not have been previously paid.

(h) The ticket must pass all additional confidential validation requirements established by the director.

(2) The director may authorize reconstruction of an alleged winning ticket which was not received and/or cannot be located by the lottery. Provided, the person requesting reconstruction submits to the lottery sufficient evidence to enable reconstruction and that they have submitted a claim for the prize, if any, for that ticket. If the reconstructed ticket is a winning ticket and meets the validation requirements contained in subsection (1) of this section and the specific validation requirements contained in the rules for its specific game, the director may authorize payment of the prize. Provided, the ticket shall not be validated nor the prize paid prior to the one hundred eighty-first day following the official end of that instant game. A ticket(s) validated pursuant to this subsection shall not entitle the claimant entry into the grand prize drawing, if any, for that or any subsequent instant game.

(3) Any ticket not passing all the validation requirements in subsection (1) of this section and the specific validation requirements contained in the rules for its specific game is invalid and ineligible for any prize.

(4) The director may replace any invalid ticket with an unplayed ticket of equivalent sales price from any current instant game. In the event a defective ticket is purchased, the only responsibility or liability of the lottery shall be the replacement of the defective ticket with an unplayed ticket of equivalent sales price from any current instant game, or issue a refund of the sales price. However, if the ticket is partially mutilated or if the ticket is not intact but it still can be validated by other validation tests, the director may pay the prize for that ticket.

[Statutory Authority: RCW 67.70.040, 85-16-031 (Order 77), § 315-10-070, filed 7/30/85; 84-22-047 (Order 68), § 315-10-070, filed 11/7/84.]

Chapter 315-11 WAC

INSTANT GAME RULES—SPECIFIC RULES

WAC

315-11-200	Definitions for Instant Game Number 20 ("Cash Code").
315-11-201	Criteria for Instant Game Number 20.
315-11-202	Ticket validation requirements for Instant Game Number 20.
315-11-210	Definitions for Instant Game Number 21 ("Sun Dollars").
315-11-211	Criteria for Instant Game Number 21.
315-11-212	Ticket validation requirements for Instant Game Number 21.
315-11-220	Definitions for Instant Game Number 22 ("Silver Lining"/"Silver Bells").
315-11-221	Criteria for Instant Game Number 22.
315-11-222	Ticket validation requirements for Instant Game Number 22.
315-11-230	Definitions for Instant Game Number 23 ("Three Cards Up").
315-11-231	Criteria for Instant Game Number 23.
315-11-232	Ticket validation requirements for Instant Game Number 23.

DISPOSITION OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

315-11-010	Definitions for Instant Game Number 1. [Statutory Authority: 1982 2nd ex.s. c 7 § 4. 83-03-034 (Order 10), § 315-11-010, filed 1/14/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-020	Criteria for Instant Game Number 1. [Statutory Authority: 1982 2nd ex.s. c 7 §§ 4 and 5. 83-03-034 (Order 10), § 315-11-020, filed 1/14/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-030	Ticket validation requirements. [Statutory Authority: 1982 2nd ex.s. c 7 §§ 4 and 5. 83-03-034 (Order 10), § 315-11-030, filed 1/14/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-040	Definitions for Instant Game Number 2. [Statutory Authority: RCW 67.70.040. 83-05-030 (Order 15), § 315-11-040, filed 2/10/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-041	Criteria for Instant Game Number 2. [Statutory Authority: RCW 67.70.040 and 67.70.050. 83-07-023 (Order 18), § 315-11-041, filed 3/11/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-042	Ticket validation requirements. [Statutory Authority: RCW 67.70.040. 83-05-030 (Order 15), § 315-11-042, filed 2/10/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-050	Definitions for Instant Game Number 3 ("Buried Treasure"). [Statutory Authority: RCW 67.70.040. 83-17-009 (Order 31), § 315-11-050, filed 8/5/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-051	Criteria for Instant Game Number 3. [Statutory Authority: RCW 67.70.040. 83-17-009 (Order 31), § 315-11-051, filed 8/5/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-052	Ticket validation requirements. [Statutory Authority: RCW 67.70.040. 83-17-009 (Order 31), § 315-11-052, filed 8/5/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-060	Definitions for Instant Game Number 4 ("Baseball"). [Statutory Authority: RCW 67.70.040. 83-17-010

315-11-061	Criteria for Instant Game Number 4. [Statutory Authority: RCW 67.70.040. 83-17-010 (Order 32), § 315-11-061, filed 8/5/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-062	Ticket validation requirements. [Statutory Authority: RCW 67.70.040. 83-17-010 (Order 32), § 315-11-062, filed 8/5/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-070	Definitions for Instant Game Number 5 ("Magic Cards"). [Statutory Authority: RCW 67.70.040. 83-17-011 (Order 33), § 315-11-070, filed 8/5/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-071	Criteria for Instant Game Number 5. [Statutory Authority: RCW 67.70.040. 84-05-008 (Order 51), § 315-11-071, filed 2/7/84; 83-17-011 (Order 33), § 315-11-071, filed 8/5/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-072	Ticket validation requirements. [Statutory Authority: RCW 67.70.040. 83-17-011 (Order 33), § 315-11-072, filed 8/5/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-080	Definitions for Instant Game Number 6 ("Money Match"). [Statutory Authority: RCW 67.70.040. 83-19-018 (Order 35), § 315-11-080, filed 9/12/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-081	Criteria for Instant Game Number 6. [Statutory Authority: RCW 67.70.040. 84-05-008 (Order 51), § 315-11-081, filed 2/7/84; 83-19-018 (Order 35), § 315-11-081, filed 9/12/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-082	Ticket validation requirements. [Statutory Authority: RCW 67.70.040. 83-19-018 (Order 35), § 315-11-082, filed 9/12/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-090	Definitions for Instant Game Number 7 ("Holiday Cash"). [Statutory Authority: RCW 67.70.040. 84-01-004 (Order 42), § 315-11-090, filed 12/8/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-091	Criteria for Instant Game Number 7. [Statutory Authority: RCW 67.70.040. 84-01-004 (Order 42), § 315-11-091, filed 12/8/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-092	Ticket validation requirements. [Statutory Authority: RCW 67.70.040. 84-01-004 (Order 42), § 315-11-092, filed 12/8/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-100	Definitions for Instant Game Number 8 ("Loose Change"). [Statutory Authority: RCW 67.70.040. 84-01-003 (Order 43), § 315-11-100, filed 12/8/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-101	Criteria for Instant Game Number 8. [Statutory Authority: RCW 67.70.040. 84-09-008 (Order 54), § 315-11-101, filed 4/9/84; 84-01-003 (Order 43), § 315-11-101, filed 12/8/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.
315-11-102	Ticket validation requirements for Instant Game Number 8. [Statutory Authority: RCW 67.70.040. 84-01-003 (Order 43), § 315-11-102, filed 12/8/83.] Repealed by 86-01-061 (Order 84), filed 12/16/85. Statutory Authority: RCW 67.70.040.

- 315-11-190 Definitions for Instant Game Number 19 ("Three Cards Up"). [Statutory Authority: RCW 67.70.040. 86-07-028 (Order 88), § 315-11-190, filed 3/13/86.] Repealed by 87-01-059 (Order 98), filed 12/16/86. Statutory Authority: RCW 67.70.040.
- 315-11-191 Criteria for Instant Game Number 19. [Statutory Authority: RCW 67.70.040. 86-07-028 (Order 88), § 315-11-191, filed 3/13/86.] Repealed by 87-01-059 (Order 98), filed 12/16/86. Statutory Authority: RCW 67.70.040.
- 315-11-192 Ticket validation requirements for Instant Game Number 19. [Statutory Authority: RCW 67.70.040. 86-07-028 (Order 88), § 315-11-192, filed 3/13/86.] Repealed by 87-01-059 (Order 98), filed 12/16/86. Statutory Authority: RCW 67.70.040.

WAC 315-11-200 Definitions for Instant Game Number 20 ("Cash Code"). (1) Play symbols: The following are the "play symbols": "9"; "8"; "7"; "6"; "5"; "4"; "3"; "2"; "1"; and "0." One of these symbols appears in each of the ten blocks under the scratch-off material covering the game play data.

(2) Validation number: The unique nine-digit number on the upper center of the main (upper) portion of the front of the ticket. The number is covered by latex which is overprinted "DO NOT REMOVE."

(3) Pack-ticket number: The ten-digit number of the form 1000001-000 printed on the front of the ticket. The first seven digits of the pack-ticket number for Instant Game Number 20 constitute the "pack number" which starts at 1000001; the last three digits constitute the "ticket number" which starts at 000 and continues through 399 within each pack of tickets.

(4) Captions: The small printed characters appearing below each play symbol which verifies and corresponds with that play symbol. The caption is a spelling out, in full or abbreviated form of the play symbol. One and only one of these captions appears under each play symbol. For Instant Game Number 20, the captions which correspond with and verify the play symbols are:

<u>PLAY SYMBOL</u>	<u>CAPTION</u>
9	NINE
8	EHT
7	SEV
6	SIX
5	FIVE
4	FOUR
3	THR
2	TWO
1	ONE
0	ZERO

(5) Agent verification codes: Codes consisting of small letters found under the removable covering on the front of the ticket which the licensed agent uses to verify instant winners below \$25. For Instant Game Number 20, the agent verification code is a three-letter code, with each letter appearing in a varying three of nine locations beneath the removable covering and among the play symbols on the front of the ticket. The agent verification codes are:

<u>VERIFICATION CODE</u>	<u>PRIZE</u>
TIC	FREE TICKET
TWO	\$2.00
FIV	\$5.00
TEN	\$10.00
TTY	\$20.00

(6) Pack: A set of four hundred fanfolded instant game tickets separated by perforations and packaged in plastic shrinkwrapping.

(7) Stub play symbol: The stub play symbol is a "W" found under the rub-off material on the right front of the stub (lower) portion of the ticket. There will be from one to three "W's" on each stub.

(8) Stub number: The stub number is the pack-ticket number less the leading identifier and the dash. It will be printed above the stub play symbol(s).

[Statutory Authority: RCW 67.70.040. 86-12-001 (Order 91), § 315-11-200, filed 5/22/86.]

WAC 315-11-201 Criteria for Instant Game Number 20. (1) The price of each instant game ticket shall be \$1.00.

(2) Determination of prize winning tickets: An instant prize winner is determined in the following manner:

(a) The bearer of a ticket having a play symbol in the code key which matches a play symbol in any one of the nine prize keys all of which are beneath the removable covering on the front of the ticket shall win the prize corresponding to that prize key.

(b) In any event, only the highest instant prize amount meeting the standards of (a) of this subsection will be paid on a given ticket.

(3) No portion of the display printing nor any extraneous matter whatever shall be usable or playable as a part of the instant game.

(4) The determination of prize winners shall be subject to the general ticket validation requirements of the lottery as set forth in WAC 315-10-070, to the particular ticket validation requirements for Instant Game Number 20 set forth in WAC 315-11-202, to the confidential validation requirements established by the director, and to the requirements stated on the back of each ticket.

(5) There will be a total of three grand prize drawings held in conjunction with the lottery's 1986 instant games. They will be conducted at times and places and pursuant to procedures to be established and announced by the director. The prize awarded at each of the grand prize drawings will be \$5,000.00 per month for life with a minimum of \$1,000,000 guaranteed to the prize winner or the prize winners estate. Qualifying entries from Instant Game Number 20 will be entered into one or more of these grand prize drawings. In the event that an entry is not included in the grand prize drawing process and the director determines that the entry was entitled to participation in the process, the director reserves the right to place that entry into a subsequent grand prize drawing process.

(a) To be eligible for entry into the grand prize drawings, an entrant must:

(i) Be eligible to win a prize pursuant to chapter 67-70 RCW and Title 315 WAC.

(ii) Collect stubs with a total of ten "W" stub play symbols. The stubs may be from Instant Game Number 19, "Three Cards Up," and/or Instant Game Number 20, "Cash Code."

(iii) Write or print legibly, the entrant's name, address, and telephone number on the one or more stubs or on a separate sheet of paper. An entry containing more than one name shall be disqualified.

(iv) Place the stubs in an envelope. An envelope which contains extraneous material or which has had the exterior altered for the apparent sole purpose of making the envelope more prominent shall be disqualified.

(v) Mail the envelope with proper postage and a legible return address of the entrant to the address specified on the back of the ticket and in the player's brochure ("GRAND PRIZE DRAWING," WASHINGTON LOTTERY, TACOMA, WA 98455), or deliver it in person during normal business hours to lottery headquarters or any of the regional offices at the address listed in the player's brochure.

(b) There is no limit to the number of entries a person may submit, but each entry must be submitted in a separate envelope and both the entry and the entrant of each must meet the qualifications set forth above.

(c) An entry which contains one or more stolen tickets may be disqualified by the director.

(d) A nonconforming entry, at the sole discretion of the director, may be disqualified.

(e) The lottery shall not be responsible for any other material, including winning tickets, mailed or delivered to the "GRAND PRIZE DRAWING." All mail not drawn will be incinerated unopened.

(f) The lottery shall not be responsible for, nor place in the grand prize drawing, any entries mailed or delivered to the wrong address.

(6) Supplemental drawings will be held each week using grand prize drawing entries received since the previous supplemental drawing. Entries received by the lottery at lottery headquarters by 9:00 a.m. local time on the day of a supplemental drawing shall be entitled to participation in that drawing. Entries received at headquarters after that time will be entered in the next supplemental drawing. The supplemental drawings will be conducted at times, places, and pursuant to procedures to be established and announced by the director. Entries selected during the supplemental drawings will be retained and be eligible for the next grand prize drawing provided they have not been disqualified pursuant to these rules. The director reserves the right to place an entry which was entitled to, but which was not entered into a supplemental drawing, into a subsequent supplemental drawing. The deadline for entry and the date of supplemental drawings may vary at the discretion of the director. The prize awarded at the supplemental drawing will be:

(a) \$21,000 cash; or

(b) The director may offer an alternate prize package valued at \$21,000 or more based on the suggested retail

price for goods and services or face value for cash and securities.

(c) Selection of the cash prize or alternative prize package, if offered, shall be at the sole option of the winner. Provided, the selection must be made within five days after the drawing. If the winner fails, within that required time, to make a selection and/or tender any moneys required pursuant to (f) of this subsection, the winner will be deemed to have selected the prize of \$21,000 cash.

(d) Composition of the alternate prize package shall be at the discretion of the director.

(e) Total cost to the lottery of the alternate prize package, including but not limited to cost of the prizes, taxes, and fees shall not exceed \$21,000.

(f) All taxes and fees including any cash payments necessary to satisfy withholding obligations pursuant to requirements of the Internal Revenue Service or other taxing unit shall be the responsibility of the winner. Provided, the director may include sufficient cash in the alternate prize package to satisfy tax obligations and/or fees due at the time the prize is awarded. Taxes and fees payable subsequent to that time shall be the responsibility of the winner.

(7) The lottery, in conjunction with Instant Game Number 20, shall provide additional compensation for lottery retailers pursuant to WAC 315-04-190(3). The purpose of the program is to increase the sales of lottery tickets and to encourage lottery retailers to promote the supplemental drawing program.

(a) The lottery shall provide additional compensation of \$2,100 to lottery retailer(s) in conjunction with the supplemental drawings held pursuant to subsection (6) of this section.

(b) The compensation shall be provided to the lottery retailer(s) that sold the lottery tickets whose stubs comprised the winning entry in that week's supplemental drawing.

(c) The lottery retailers will be selected as follows:

(i) The \$2,100 will be divided equally between the number of stubs contained in the entry with each stub receiving one share.

(ii) The lottery retailer(s) will receive one share for each stub of a ticket which they sold that is contained in the entry.

(d) The prize awarded to the lottery retailer(s) will be paid as follows:

(i) The amount received will be credited to any overdue balance owed the lottery.

(ii) The balance, if any, will be paid to the lottery retailer(s).

(8) Notwithstanding any other provisions of these rules, the director may:

(a) Vary the length of Instant Game Number 20; and/or

(b) Vary the number of tickets sold in Instant Game Number 20 in a manner that will maintain the estimated average odds of purchasing a winning ticket.

[Statutory Authority: RCW 67.70.040. 86-12-001 (Order 91), § 315-11-201, filed 5/22/86.]

WAC 315-11-202 Ticket validation requirements for Instant Game Number 20. (1) In addition to meeting all other requirements in these rules and regulations, to be a valid instant game ticket for Instant Game Number 20 all of the following validation requirements apply.

(a) Exactly one play symbol must appear under each of the ten rub-off spots on the front of the ticket.

(b) Each of the ten play symbols must have a caption below and each must agree with its caption.

(c) The display printing and the printed numbers, letters, and symbols on the ticket must be regular in every respect and correspond precisely with the artwork on file with the director. The numbers, letters, and symbols shall be printed as follows:

Play Symbols	10 point Archer font
Captions	7 x 12 Matrix font
Pack-Ticket Number	OCR-A Size 1 Condensed font
Validation Number	OCR-A Size 1 Condensed font
Agent Verification Code	7 x 12 Matrix font
Stub Play Symbols	9 x 12 Matrix font
Stub Number	5 x 11 Matrix font

(d) Each of the play symbols and their captions, the validation number, pack-ticket number, agent verification code, stub play symbols, and the stub number must be printed in black ink.

(e) Each of the play symbols must be exactly one of those described in WAC 315-11-200(1) and each of the captions must be exactly one of those described in WAC 315-11-200(4).

(f) Each of the stub play symbols must be exactly as described in WAC 315-11-200(7) and the stub number as described in WAC 315-11-200(8).

(2) Removal of part or all of the latex overprinted "DO NOT REMOVE" covering of the validation number will not invalidate an otherwise valid ticket.

(3) Any ticket not passing all the validation requirements in WAC 315-10-070 and subsection (1) of this section is invalid and ineligible for any prize.

[Statutory Authority: RCW 67.70.040, 86-12-001 (Order 91), § 315-11-202, filed 5/22/86.]

WAC 315-11-210 Definitions for Instant Game Number 21 ("Sun Dollars"). (1) Play symbols: The following are the "play symbols": "FREE"; "\$2.00"; "\$5.00"; "\$10.00"; "\$20.00"; "\$100\$"; "\$1000"; and "10000." One of these symbols appears in each of the six blocks under the scratch-off material covering the game play data.

(2) Validation number: The unique nine-digit number on the front of the ticket. The number is covered by latex covering.

(3) Pack-ticket number: The ten-digit number of the form 0000001-000 printed on the front of the ticket. The first seven digits of the pack-ticket number for Instant Game Number 21 constitute the "pack number" which starts at 0000001; the last three digits constitute the "ticket number" which starts at 000 and continues through 399 within each pack of tickets.

(4) Captions: The small printed characters appearing below each play symbol which verifies and corresponds with that play symbol. The caption is a spelling out, in

full or abbreviated form of the play symbol. One and only one of these captions appears under each play symbol. For Instant Game Number 21, the captions which correspond with and verify the play symbols are:

<u>PLAY SYMBOL</u>	<u>CAPTION</u>
FREE	TICKET
\$2.00	TWO\$
\$5.00	FIVE
\$10.00	TEN\$
\$20.00	TWENTY
\$50.00	FIFTY
\$100\$	HUNDRED
\$1000	ONE-THOU
10000	TEN-THOU

(5) Retailer verification codes: Codes consisting of small letters found under the removable covering on the front of the ticket which the lottery retailer uses to verify instant winners below \$25. For Instant Game Number 21, the retailer verification code is a three-letter code, with each letter appearing in a varying three of six locations beneath the removable covering and among the play symbols on the front of the ticket. The retailer verification codes are:

<u>VERIFICATION CODE</u>	<u>PRIZE</u>
TIC	FREE TICKET
TWO	\$2.00
FIV	\$5.00
TEN	\$10.00
TTY	\$20.00

(6) Pack: A set of four hundred fanfolded instant game tickets separated by perforations and packaged in plastic shrinkwrapping.

(7) Stub play symbol: The stub play symbol is a "W" found under the rub-off material on the lower front of the stub (right) portion of the ticket. There will be from one to three "W's" on each stub.

(8) Stub number: The stub number is the pack-ticket number less the leading identifier and the dash. It will be printed above the stub play symbol(s).

[Statutory Authority: RCW 67.70.040, 86-12-002 (Order 92), § 315-11-210, filed 5/22/86.]

WAC 315-11-211 Criteria for Instant Game Number 21. (1) The price of each instant game ticket shall be \$1.00.

(2) Determination of prize winning tickets: An instant prize winner is determined in the following manner:

(a) The bearer of a ticket having the following play symbol in any three of the six spots beneath the removable covering on the front of the ticket shall win the following prize:

- Three FREE play symbols – Win Free Ticket
- Three \$2.00 play symbols – Win \$2.00
- Three \$5.00 play symbols – Win \$5.00
- Three 10.00 play symbols – Win \$10.00
- Three 20.00 play symbols – Win \$20.00
- Three 50.00 play symbols – Win \$50.00

Three \$100\$ play symbols – Win \$100.00
 Three 1,000 play symbols – Win \$1,000
 Three 10000 play symbols – Win \$10,000

(b) In any event, only the highest instant prize amount meeting the standards of (a) of this subsection will be paid on a given ticket.

(3) No portion of the display printing nor any extraneous matter whatever shall be usable or playable as a part of the instant game.

(4) The determination of prize winners shall be subject to the general ticket validation requirements of the lottery as set forth in WAC 315-10-070, to the particular ticket validation requirements for Instant Game Number 21 set forth in WAC 315-11-212, to the confidential validation requirements established by the director, and to the requirements stated on the back of each ticket.

(5) There will be a total of three grand prize drawings held in conjunction with the lottery's 1986 instant games. They will be conducted at times and places and pursuant to procedures to be established and announced by the director. The prize awarded at each of the grand prize drawings will be \$5,000.00 per month for life with a minimum of \$1,000,000 guaranteed to the prize winner or the prize winners estate. Qualifying entries from Instant Game Number 21 will be entered into one or more of these grand prize drawings. In the event that an entry is not included in the grand prize drawing process and the director determines that the entry was entitled to participation in the process, the director reserves the right to place that entry into a subsequent grand prize drawing process.

(a) To be eligible for entry into the grand prize drawings, an entrant must:

(i) Be eligible to win a prize pursuant to chapter 67-.70 RCW and Title 315 WAC.

(ii) Collect stubs with a total of ten "W" stub play symbols. The stubs may be from Instant Game Number 19, "Three Cards Up," and/or Instant Game Number 20, "Cash Code," and/or Instant Game Number 21, "Sun Dollars."

(iii) Write or print legibly, the entrant's name, address, and telephone number on the one or more stubs or on a separate sheet of paper. An entry containing more than one name shall be disqualified.

(iv) Place the stubs in an envelope. An envelope which contains extraneous material or which has had the exterior altered for the apparent sole purpose of making the envelope more prominent shall be disqualified.

(v) Mail the envelope with proper postage and a legible return address of the entrant to the address specified on the back of the ticket and in the player's brochure ("GRAND PRIZE DRAWING," WASHINGTON LOTTERY, TACOMA, WA 98455), or deliver it in person during normal business hours to lottery headquarters or any of the regional offices at the address listed in the player's brochure.

(b) There is no limit to the number of entries a person may submit, but each entry must be submitted in a separate envelope ;and both the entry and the entrant of each must meet the qualifications set forth above.

(c) An entry which contains one or more stolen tickets may be disqualified by the director.

(d) A nonconforming entry, at the sole discretion of the director, may be disqualified.

(e) The lottery shall not be responsible for any other material, including winning tickets, mailed or delivered to the "GRAND PRIZE DRAWING." All mail not drawn will be incinerated unopened.

(f) The lottery shall not be responsible for, nor place in the grand prize drawing, any entries mailed or delivered to the wrong address.

(6) Supplemental drawings will be held each week using grand prize drawing entries received since the previous supplemental drawing. Entries received by the lottery at lottery headquarters by 9:00 a.m. local time on the day of a supplemental drawing shall be entitled to participation in that drawing. Entries received at headquarters after that time will be entered in the next supplemental drawing. The supplemental drawings will be conducted at times, places, and pursuant to procedures to be established and announced by the director. Entries selected during the supplemental drawings will be retained and be eligible for the next grand prize drawing provided they have not been disqualified pursuant to these rules. The director reserves the right to place an entry which was entitled to, but which was not entered into a supplemental drawing, into a subsequent supplemental drawing. The deadline for entry and the date of supplemental drawings may vary at the discretion of the director. The prize awarded at the supplemental drawing will be:

(a) \$21,000 cash; or

(b) The director may offer an alternate prize package valued at \$21,000 or more based on the suggested retail price for goods and services or face value for cash and securities.

(c) Selection of the cash prize or alternate prize package, if offered, shall be at the sole option of the winner. Provided, the selection must be made within five days after the drawing. If the winner fails, within that required time, to make a selection and/or tender any moneys required pursuant to (f) of this subsection, the winner will be deemed to have selected the prize of \$21,000 cash.

(d) Composition of the alternate prize package shall be at the discretion of the director.

(e) Total cost to the lottery of the alternate prize package, including but not limited to cost of the prizes, taxes, and fees shall not exceed \$21,000.

(f) All taxes and fees including any cash payments necessary to satisfy withholding obligations pursuant to requirements of the Internal Revenue Service or other taxing unit shall be the responsibility of the winner. Provided, the director may include sufficient cash in the alternate prize package to satisfy tax obligations and/or fees due at the time the prize is awarded. Taxes and fees payable subsequent to that time shall be the responsibility of the winner.

(7) The lottery, in conjunction with Instant Game Number 21, shall provide additional compensation for lottery retailers pursuant to WAC 315-04-190(3). The

purpose of the program is to increase the sales of lottery tickets and to encourage lottery retailers to promote the supplemental drawing program.

(a) The lottery shall provide additional compensation of \$2,100 to lottery retailer(s) in conjunction with the supplemental drawings held pursuant to subsection (6) of this section.

(b) The compensation shall be paid to the lottery retailer(s) that sold the lottery tickets whose stubs comprised the winning entry in that week's supplemental drawing. Provided, the lottery may require such retailers to display point-of-sale material as a condition of receiving the additional compensation.

(c) The lottery retailers will be selected as follows:

(i) The \$2,100 will be divided equally between the number of stubs contained in the entry with each stub receiving one share.

(ii) The lottery retailer(s) will receive one share for each stub of a ticket which they sold that is contained in the entry.

(d) The compensation awarded to the lottery retailer(s) will be paid as follows:

(i) The amount received will be credited to any overdue balance owed the lottery.

(ii) The balance, if any, will be paid to the lottery retailer(s).

(e) Washington state liquor control board stores and agencies are not eligible to participate in this program.

(f) Any moneys not paid as additional compensation under this program shall be retained by the lottery.

(8) Notwithstanding any other provisions of these rules, the director may:

(a) Vary the length of Instant Game Number 21 and/or

(b) Vary the number of tickets sold in Instant Game Number 21 in a manner that will maintain the estimated average odds of purchasing a winning ticket.

[Statutory Authority: RCW 67.70.040. 86-12-002 (Order 92), § 315-11-211, filed 5/22/86.]

WAC 315-11-212 Ticket validation requirements for Instant Game Number 21. (1) In addition to meeting all other requirements in these rules and regulations, to be a valid instant game ticket for Instant Game Number 21 all of the following validation requirements apply.

(a) Exactly one play symbol must appear under each of the six rub-off spots on the front of the ticket.

(b) Each of the six play symbols must have a caption below and each must agree with its caption.

(c) The display printing and the printed numbers, letters, and symbols on the ticket must be regular in every respect and correspond precisely with the artwork on file with the director. The numbers, letters, and symbols shall be printed as follows:

Play Symbols	15 point Archer font
Captions	5 x 12 Matrix font
Pack-Ticket Number	9 x 12 Matrix font
Validation Number	9 x 12 Matrix font
Retail Verification Code	7 x 12 Matrix font
Stub Play Symbols	9 x 12 Matrix font
Stub Number	5 x 11 Matrix font

(d) Each of the play symbols and their captions, the validation number, pack-ticket number, retailer verification code, stub play symbols, and the stub number must be printed in black ink.

(e) Each of the play symbols must be exactly one of those described in WAC 315-11-210(1) and each of the captions must be exactly one of those described in WAC 315-11-210(4).

(f) Each of the stub play symbols must be exactly as described in WAC 315-11-210(7) and the stub number as described in WAC 315-11-210(8).

(2) Removal of part or all of the latex overprinted "DO NOT REMOVE" covering of the validation number will not invalidate an otherwise valid ticket.

(3) Any ticket not passing all the validation requirements in WAC 315-10-070 and subsection (1) of this section is invalid and ineligible for any prize.

[Statutory Authority: RCW 67.70.040. 86-12-002 (Order 92), § 315-11-212, filed 5/22/86.]

WAC 315-11-220 Definitions for Instant Game Number 22 ("Silver Lining"/"Silver Bells"). (1) Play symbols: The following are the "play symbols": "FREE"; "\$2.00"; "\$5.00"; "10.00"; "20.00"; "50.00"; "\$100\$"; "10000." One of these symbols appears in each of the six blocks under the scratch-off material covering the game play data.

(2) Validation number: The unique nine-digit number on the front of the ticket. The number is covered by latex covering.

(3) Pack-ticket number: The ten-digit number of the form 2000001-000 printed on the front of the ticket. The first seven digits of the pack-ticket number for Instant Game Number 22 constitute the "pack number" which starts at 2000001; the last three digits constitute the "ticket number" which starts at 000 and continues through 399 within each pack of tickets.

(4) Captions: The small printed characters appearing below each play symbol which verifies and corresponds with that play symbol. The caption is a spelling out, in full or abbreviated form of the play symbol. One and only one of these captions appears under each play symbol. For Instant Game Number 22, the captions which correspond with and verify the play symbols are:

PLAY SYMBOL CAPTION

FREE	TICKET
\$2.00	TWO\$
\$5.00	FIVE
10.00	TEN\$
20.00	TWENTY
50.00	FIFTY
\$100\$	HUNDRED
10000	TEN-THOU

(5) Retailer verification codes: Codes consisting of small letters found under the removable covering on the front of the ticket which the lottery retailer uses to verify instant winners below \$25. For Instant Game Number 22, the retailer verification code is a three-letter code, with each letter appearing in a varying three of six locations beneath the removable covering and among the

play symbols on the front of the ticket. The retailer verification codes are:

<u>VERIFICATION CODE</u>	<u>PRIZE</u>
TIC	FREE TICKET
TWO	\$2.00
FIV	\$5.00
TEN	\$10.00
TTY	\$20.00

(6) Pack: A set of four hundred fanfolded instant game tickets separated by perforations and packaged in plastic shrinkwrapping.

(7) Stub play symbol: The stub play symbol is a "W" found under the rub-off material on the lower front of the stub (right) portion of the ticket. There will be from one to three "W's" on each stub.

(8) Stub number: The stub number is the pack-ticket number less the leading identifier and the dash. It will be printed above the stub play symbol(s).

[Statutory Authority: RCW 67.70.040. 87-01-057 (Order 96), § 315-11-220, filed 12/16/86.]

WAC 315-11-221 Criteria for Instant Game Number 22. (1) The price of each instant game ticket shall be \$1.00.

(2) Determination of prize winning tickets: An instant prize winner is determined in the following manner:

(a) The bearer of a ticket having the following play symbol in any three of the six spots beneath the removable covering on the front of the ticket shall win the following prize:

- Three FREE play symbols – Win Free Ticket
- Three \$2.00 play symbols – Win \$2.00
- Three \$5.00 play symbols – Win \$5.00
- Three 10.00 play symbols – Win \$10.00
- Three 20.00 play symbols – Win \$20.00
- Three 50.00 play symbols – Win \$50.00
- Three \$100\$ play symbols – Win \$100.00
- Three 10000 play symbols – Win \$10,000

(b) In any event, only the highest instant prize amount meeting the standards of (a) of this subsection will be paid on a given ticket.

(3) No portion of the display printing nor any extraneous matter whatever shall be usable or playable as a part of the instant game.

(4) The determination of prize winners shall be subject to the general ticket validation requirements of the lottery as set forth in WAC 315-10-070, to the particular ticket validation requirements for Instant Game Number 22 set forth in WAC 315-11-222, to the confidential validation requirements established by the director, and to the requirements stated on the back of each ticket.

(5) There will be a total of three grand prize drawings held in conjunction with the lottery's 1986 instant games. They will be conducted at times and places and pursuant to procedures to be established and announced by the director. The prize awarded at each of the grand prize drawings will be \$5,000.00 per month for life with

a minimum of \$1,000,000 guaranteed to the prize winner or the prize winner's estate. Qualifying entries from Instant Game Number 22 will be entered into one or more of these grand prize drawings. In the event that an entry is not included in the grand prize drawing process and the director determines that the entry was entitled to participation in the process, the director reserves the right to place that entry into a subsequent grand prize drawing process.

(a) To be eligible for entry into the grand prize drawings, an entrant must:

(i) Be eligible to win a prize pursuant to chapter 67-.70 RCW and Title 315 WAC.

(ii) Collect stubs with a total of ten "W" stub play symbols. The stubs may be from Instant Game Number 19, "Three Cards Up," and/or Instant Game Number 20, "Cash Code," and/or Instant Game 21, "Sun Dollars," and/or Instant Game 22, "Silver Lining"/"Silver Bells."

(iii) Write or print legibly, the entrant's name, address, and telephone number on one or more stubs or on a separate sheet of paper. An entry containing more than one name shall be disqualified.

(iv) Place the stubs in an envelope. An envelope which contains extraneous material or which has had the exterior altered for the apparent sole purpose of making the envelope more prominent shall be disqualified.

(v) Mail the envelope with proper postage and a legible return address of the entrant to the address specified on the back of the ticket and in the player's brochure ("GRAND PRIZE DRAWING," WASHINGTON LOTTERY, TACOMA, WA 98455), or deliver it in person during normal business hours to lottery headquarters or any of the regional offices at the address listed in the player's brochure.

(b) There is no limit to the number of entries a person may submit but each entry must be submitted in a separate envelope and both the entry and the entrant of each must meet the qualifications set forth above.

(c) An entry which contains one or more stolen tickets may be disqualified by the director.

(d) A nonconforming entry, at the sole discretion of the director, may be disqualified.

(e) The lottery shall not be responsible for any other material, including winning tickets, mailed or delivered to the "GRAND PRIZE DRAWING." All mail not drawn will be incinerated unopened.

(f) The lottery shall not be responsible for, nor place in the grand prize drawing, any entries mailed or delivered to the wrong address.

(6) Supplemental drawings will be held each week using grand prize drawing entries received since the previous supplemental drawing. Entries received by the lottery at lottery headquarters by 9:00 a.m. local time on the day of a supplemental drawing shall be entitled to participation in that drawing. Entries received at headquarters after that time will be entered in the next supplemental drawing. The supplemental drawings will be conducted at times, places, and pursuant to procedures to be established and announced by the director. Entries

selected during the supplemental drawings will be retained and be eligible for the next grand prize drawing provided they have not been disqualified pursuant to these rules. The director reserves the right to place an entry which was entitled to, but which was not entered into a supplemental drawing, into a subsequent supplemental drawing. The deadline for entry and the date of supplemental drawings may vary at the discretion of the director. The prize awarded at the supplemental drawing will be:

(a) \$21,000 cash; or

(b) The director may offer an alternate prize package valued at \$21,000 or more based on the suggested retail price for goods and services or face value for cash and securities.

(c) Selection of the cash prize or alternative prize package, if offered, shall be at the sole option of the winner. Provided, the selection must be made within five days after the drawing. If the winner fails, within that required time, to make a selection and/or tender any moneys required pursuant to (f) of this subsection, the winner will be deemed to have selected the prize of \$21,000 cash.

(d) Composition of the alternate prize package shall be at the discretion of the director.

(e) Total cost to the lottery of the alternate prize package, including but not limited to cost of the prizes, taxes, and fees shall not exceed \$21,000.

(f) All taxes and fees including any cash payments necessary to satisfy withholding obligations pursuant to requirements of the Internal Revenue Service or other taxing unit shall be the responsibility of the winner. Provided, the director may include sufficient cash in the alternate prize package to satisfy tax obligations and/or fees due at the time the prize is awarded. Taxes and fees payable subsequent to that time shall be the responsibility of the winner.

(7) The lottery, in conjunction with Instant Game Number 22, shall provide additional compensation for lottery retailers pursuant to WAC 315-04-190(3). The purpose of the program is to increase the sales of lottery tickets and to encourage lottery retailers to promote the supplemental drawing program.

(a) The lottery shall provide additional compensation of \$2,100 to lottery retailer(s) in conjunction with the supplemental drawings held pursuant to subsection (6) of this section.

(b) The compensation shall be paid to the lottery retailer(s) that sold the lottery tickets whose stubs comprised the winning entry in that week's supplemental drawing. Provided, the lottery may require such retailers to display point-of-sale material as a condition of receiving the additional compensation.

(c) The lottery retailers will be selected as follows:

(i) The \$2,100 will be divided equally between the number of stubs contained in the entry with each stub receiving one share.

(ii) The lottery retailer(s) will receive one share for each stub of a ticket which they sold that is contained in the entry.

(d) The compensation awarded to the lottery retailer(s) will be paid as follows:

(i) The amount received will be credited to any overdue balance owed the lottery.

(ii) The balance, if any, will be paid to the lottery retailer(s).

(e) Washington state liquor control board stores and agencies are not eligible to participate in this program.

(f) Any moneys not paid as additional compensation under this program shall be retained by the lottery.

(8) The lottery shall conduct in conjunction with Instant Game Number 22 an incentive program and provide additional compensation pursuant to WAC 315-04-190(3). The purpose of the program is to increase sales of lottery tickets through increased and more effective use of point-of-sale material.

(a) The program shall be conducted as follows:

(i) Four drawings, using licensed retailer numbers, will be held during Instant Game Number 22 at times and places and pursuant to procedures established by the director. At each drawing, twenty-five primary and five alternate licensed retailer numbers will be drawn.

(ii) Licensed retailers whose number is drawn and whose license is active and accounts receivable are current within thirty days at the time of the drawing will be qualified for further participation in the program. Retailers whose license is inactive or accounts receivable are not current within thirty days at the time of the drawing will be disqualified and replaced by a licensed retailer whose number was drawn as an alternate number.

(iii) Licensed retailers selected for further participation at any drawing will not be eligible for participation in future drawings.

(iv) Lottery personnel shall visit each licensed retailer qualified for further participation to determine whether point-of-sale material is displayed at each checkout area where lottery tickets are sold. Those retailers with point-of-sale material displayed at each such checkout area will be eligible for the finalist drawing.

(v) The finalist drawing will be held at a time and place and pursuant to procedures established by the director.

(vi) The number of winners and prizes to be awarded will be established and announced by the director.

(vii) Each winner shall be liable for the federal income tax due, if any, as a result of being awarded a prize.

(b) Washington state liquor control board stores and agencies are not eligible to participate in this incentive program.

(9) Notwithstanding any other provisions of these rules, the director may:

(a) Vary the length of Instant Game Number 22; and/or

(b) Vary the number of tickets sold in Instant Game Number 22 in a manner that will maintain the estimated average odds of purchasing a winning ticket.

[Statutory Authority: RCW 67.70.040. 87-01-057 (Order 96), § 315-11-221, filed 12/16/86.]

WAC 315-11-222 Ticket validation requirements for Instant Game Number 22. (1) In addition to meeting all other requirements in these rules and regulations, to be a valid instant game ticket for Instant Game Number 22 all of the following validation requirements apply:

(a) Exactly one play symbol must appear under each of the six rub-off spots on the front of the ticket.

(b) Each of the six play symbols must have a caption below and each must agree with its caption.

(c) The display printing and the printed numbers, letters, and symbols on the ticket must be regular in every respect and correspond precisely with the artwork on file with the director. The numbers, letters, and symbols shall be printed as follows:

Play Symbols	15 point Archer font
Captions	5 x 12 Matrix font
Pack-Ticket Number	9 x 12 Matrix font
Validation Number	5 x 11 Matrix font
Retailer Verification Code	7 x 12 Matrix font
Stub Play Symbols	9 x 12 Matrix font
Stub Number	5 x 9 Matrix font

(d) Each of the play symbols and their captions, the validation number, pack-ticket number, retailer verification code, stub play symbols, and the stub number must be printed in black ink.

(e) Each of the play symbols must be exactly one of those described in WAC 315-11-220(1) and each of the captions must be exactly one of those described in WAC 315-11-220(4).

(f) Each of the stub play symbols must be exactly as described in WAC 315-11-220(7) and the stub number as described in WAC 315-11-220(8).

(2) Removal of part or all of the latex overprinted "DO NOT REMOVE" covering of the validation number will not invalidate an otherwise valid ticket.

(3) Any ticket not passing all the validation requirements in WAC 315-10-070 and subsection (1) of this section is invalid and ineligible for any prize.

[Statutory Authority: RCW 67.70.040. 87-01-057 (Order 96), § 315-11-222, filed 12/16/86.]

WAC 315-11-230 Definitions for Instant Game Number 23 ("Three Cards Up"). (1) Play symbols: The following are the "play symbols": "A"; "K"; "Q"; "J"; "10"; "9"; "7"; "6"; "5"; "4"; "3"; "2." One of these symbols appears under each of the three rub-off spots on the front of the ticket.

(2) Validation number: The unique nine-digit number on the front of the ticket. The number is covered by latex.

(3) Pack-ticket number: The ten-digit number of the form 3000001-000 printed on the front of the ticket. The first seven digits of the pack-ticket number for Instant Game Number 23 constitute the "pack number" which starts at 3000001; the last three digits constitute the "ticket number" which starts at 000 and continues through 399 within each pack of tickets.

(4) Captions: The small printed characters appearing below each play symbol which verifies and corresponds with that play symbol. The caption is a spelling out, in full or abbreviated form of the play symbol. One and

only one of these captions appears under each play symbol. For Instant Game Number 23, the captions which correspond with and verify the play symbols are:

PLAY SYMBOL CAPTION

A	ELV
K	TEN
Q	TEN
J	TEN
10	TEN
9	NIN
7	SEV
6	SIX
5	FIV
4	FOR
3	THR
2	TWO

(5) Retailer verification codes: Codes consisting of small letters found under the removable covering on the front of the ticket which the lottery retailer uses to verify instant winners below \$25. For Instant Game Number 23, the retailer verification code is a three-letter code, with each letter appearing in a varying three of four locations beneath the removable covering and among the play symbols on the front of the ticket. The retailer verification codes are:

<u>VERIFICATION CODE</u>	<u>PRIZE</u>
TIC	FREE TICKET
TWO	\$2.00
FIV	\$5.00

(6) Pack: A set of four hundred fanfolded instant game tickets separated by perforations and packaged in a plastic bag or plastic shrinkwrapping.

[Statutory Authority: RCW 67.70.040. 87-01-058 (Order 97), § 315-11-230, filed 12/16/86.]

WAC 315-11-231 Criteria for Instant Game Number 23. (1) The price of each instant game ticket shall be \$1.00.

(2) Determination of prize winning tickets: An instant prize winner is determined in the following manner:

(a) The bearer of a ticket having play symbols in the three spots beneath the removable covering on the front of the ticket which total one of the following numbers shall win the following corresponding prize:

16	- Free Ticket
17	- \$2.00
18	- \$5.00
19	- \$50.00
20	- \$500.00
21	- \$5,000.00

(b) In any event, only the highest instant prize amount meeting the standards of (a) of this subsection will be paid on a given ticket.

(3) No portion of the display printing nor any extraneous matter whatever shall be usable or playable as a part of the instant game.

(4) The determination of prize winners shall be subject to the general ticket validation requirements of the lottery as set forth in WAC 315-10-070, to the particular ticket validation requirements for Instant Game Number 23 set forth in WAC 315-11-232, to the confidential validation requirements established by the director, and to the requirements stated on the back of each ticket.

(5) Notwithstanding any other provisions of these rules, the director may:

(a) Vary the length of Instant Game Number 23; and/or

(b) Vary the number of tickets sold in Instant Game Number 23 in a manner that will maintain the estimated average odds of purchasing a winning ticket.

[Statutory Authority: RCW 67.70.040, 87-01-058 (Order 97), § 315-11-231, filed 12/16/86.]

WAC 315-11-232 Ticket validation requirements for Instant Game Number 23. (1) In addition to meeting all other requirements in these rules and regulations, to be a valid instant game ticket for Instant Game Number 23 all of the following validation requirements apply.

(a) Exactly one play symbol must appear under each of the three rub-off spots on the front of the ticket.

(b) Each of the three play symbols must have a caption below and each must agree with its caption.

(c) The display printing and the printed numbers, letters, and symbols on the ticket must be regular in every respect and correspond precisely with the artwork on file with the director. The numbers, letters, and symbols shall be printed as follows:

Play Symbols	Mead 18 Point font
Captions	Mead 5 x 11 Matrix font
Pack-Ticket Number	Mead 9 x 12 Matrix font
Validation Number	Mead 9 x 12 Matrix font
Retailer Verification Code	Mead 7 x 12 Matrix font

(d) Each of the play symbols and their captions, the validation number, pack-ticket number, agent verification code, stub play symbols, and the stub number must be printed in black ink.

(e) Each of the play symbols must be exactly one of those described in WAC 315-11-230(1) and each of the captions must be exactly one of those described in WAC 315-11-230(4).

(2) Any ticket not passing all the validation requirements in WAC 315-10-070 and subsection (1) of this section is invalid and ineligible for any prize.

[Statutory Authority: RCW 67.70.040, 87-01-058 (Order 97), § 315-11-232, filed 12/16/86.]

Chapter 315-12 WAC PUBLIC RECORDS DISCLOSURE

WAC

315-12-010	Purpose.
315-12-020	Definitions.
315-12-030	Description of central and field organization of the commission and the director.
315-12-040	Operations and procedures.
315-12-050	Public records available.

315-12-060	Public records officers.
315-12-070	Hours for record inspection and copying.
315-12-080	Requests for public records.
315-12-090	Copying.
315-12-100	Exemptions.
315-12-110	Denial of request.
315-12-120	Request for review of denials of public records requests.
315-12-130	Protection of public records.
315-12-140	Records index.
315-12-150	Communications.

WAC 315-12-010 Purpose. The purpose of this chapter shall be to ensure compliance by the Washington state lottery commission and the office of the director, Washington state lottery, with the provisions of RCW 42.17.250 – 42.17.340, dealing with public records.

[Statutory Authority: RCW 42.17.250, 83-13-080 (Order 23), § 315-12-010, filed 6/17/83.]

WAC 315-12-020 Definitions. (1) Definitions set forth in chapter 315-02 WAC shall apply to this chapter.

(2) "Public record" includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used or retained by any state or local agency regardless of physical form or characteristic.

(3) "Writing" means handwriting, typewriting, printing, photostating, photographing, and every other means of recording any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combination thereof, and all papers, maps, data processing products, magnetic or paper tapes, photographic films and prints, magnetic or punched cards, discs, drums, and other documents.

(4) "Raw data" means facts, symbols, or observations which have not been processed, edited or interpreted, and are unorganized or unevaluated.

(5) "Information" means raw data that are organized, evaluated or interpreted to impart meaning to potential users and fulfill a recognized need.

(6) "Listing (list)" means a series of items of any kind including names, words or numbers no matter what the arrangement or purpose. When applied to the release of record information it means the names of two or more individuals obtained from more than one source document and contained in any form of writing.

(7) "Tabulation" means the systematic arrangement of facts, statistics, and similar information, except the names of individuals, in column or table format.

(8) "Individual" means a natural person.

(9) "Commercial purpose" means the use of or the intent to use information contained in a listing to contact or in some way personally affect an individual identified on the list or for the purpose of facilitating the profit expectations of the person(s) who requested or obtained the list.

[Statutory Authority: RCW 42.17.250, 83-13-080 (Order 23), § 315-12-020, filed 6/17/83.]

WAC 315-12-030 Description of central and field organization of the commission and the director. The administrative office of the commission and director is located at 600 Park Village Plaza, 1200 Cooper Point Road SW, Olympia, WA 98502. Regional offices of the director located in other cities are as follows:

<u>CITY</u>	<u>SERVICES</u>
EVERETT REGION 205 E. Casino Road Everett, WA 98204	(a) Sales Representative (b) Ticket Warehousing
OLYMPIA REGION 600 Park Village Plaza 1200 Cooper Point Road SW Olympia, WA 98502	(a) Sales Representative (b) Ticket Warehousing
TUKWILA REGION 814 Industry Drive Tukwila, WA 98188	(a) Sales Representative (b) Ticket Warehousing
SPOKANE REGION Montgomery Commerce Center Suite #1 East 10807 Montgomery Avenue Spokane, WA 99207	(a) Sales Representative (b) Ticket Warehousing
VANCOUVER REGION Yearout Industrial Park Suite 800 12004 Northeast 95th Street Vancouver, WA 98662	(a) Sales Representative (b) Ticket Warehousing
YAKIMA REGION 421 East Chestnut Avenue Yakima, WA 98901	(a) Sales Representative (b) Ticket Warehousing

All records of the commission and director are maintained in the administrative office in Olympia.

[Statutory Authority: RCW 67.70.040. 87-01-057 (Order 96), § 315-12-030, filed 12/16/86; 84-05-008 (Order 51), § 315-12-030, filed 2/7/84. Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-030, filed 6/17/83.]

WAC 315-12-040 Operations and procedures. (1) The commission is a part-time commission of citizens, created by chapter 7, Laws of 1982 2nd ex. sess., and RCW 67.70.030. It consists of five members who are appointed by the governor with the consent of the senate. The commission implements many of the provisions of chapter 7, Laws of 1982 2nd ex. sess., and chapter 67.70 RCW by rule making. It meets on a regular basis not less than six times per year, with such additional meetings as are necessary to carry on its business. One member of the commission, designated by the governor, serves as chairman.

(2) The office of director is created by chapter 7, Laws of 1982 2nd ex. sess., and RCW 67.70.050. The director is appointed by the governor with the consent of the senate. The director is responsible for supervision and administration of the operation of the lottery in accordance with the provisions of chapter 7, Laws of 1982 2nd ex. sess., chapter 67.70 RCW and the rules of the commission. The director has appointed a deputy director and three assistant directors to assist in carrying out the duties and functions of the office. The assistant directors have been delegated authority to act in the following functional areas: Operations and enforcement, marketing, and administration.

[Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-040, filed 6/17/83.]

WAC 315-12-050 Public records available. All public records of the commission and director as defined in WAC 315-12-020(2) are deemed to be available for public inspection and copying pursuant to these rules, except as otherwise provided by RCW 42.17.260, 42.17.310, 42.17.330, WAC 315-12-100, and other applicable laws.

[Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-050, filed 6/17/83.]

WAC 315-12-060 Public records officers. The commission's and director's public records shall be in the charge of the public records officer(s) as designated by the director. The person(s) so designated shall be located in the administrative office of the director. The public records officer(s) shall be responsible for the following: The implementation of the commission's rules regarding release of public records, coordinating the staff of the director in this regard, maintaining, keeping current, and publishing an index of all agency records as required by RCW 42.17.260 and WAC 315-12-140, and generally ensuring compliance by the staff with the public records disclosure requirements of chapter 42.17 RCW.

[Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-060, filed 6/17/83.]

WAC 315-12-070 Hours for record inspection and copying. Public records shall be available for inspection and copying during the customary office hours of the director. For the purposes of this chapter, the customary office hours shall be from 8:00 a.m. to noon and from 1:00 p.m. to 5:00 p.m., Monday through Friday, excluding legal holidays.

[Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-070, filed 6/17/83.]

WAC 315-12-080 Requests for public records. In accordance with requirements of chapter 42.17 RCW that agencies prevent unreasonable invasions of privacy, protect public records from damage or disorganization, and prevent excessive interference with essential functions of the agency, public records may be inspected or copied or copies of such records may be obtained, by members of the public, upon compliance with the following procedures:

(1) A request shall be made in writing upon a form prescribed by the director which shall be available at its administrative office. The form shall be presented to any member of the director's staff designated by the responsible public records officer to receive requests, at the administrative office of the director during customary office hours. The request shall include the following information:

(a) The name and address of the person requesting the record.

(b) The time of day and calendar date on which the request was made.

(c) The nature of the request.

(d) A reference to the requested record as it is described in the current record index.

Note: If the material is not identifiable by reference to the current index, an accurate description of the record is requested.

(e) The purpose for which a list of individuals, if so requested, will be used.

(f) The signature of the requestor.

(2) In all cases in which a member of the public makes a request, it shall be the obligation of the staff member to whom the request is made to assist the member of the public in appropriately identifying the public record requested.

(3) Any persons authorized by law to obtain a list of names of individuals from public records will be required to complete a statement agreeing not to release or use the information for commercial purposes.

[Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-080, filed 6/17/83.]

WAC 315-12-090 Copying. (1) There is no fee for the inspection of public records.

(2) The director will charge a fee of twenty-five cents per page for providing copies of public records and for use of the director's copy equipment. This charge is to reimburse the director for costs incident to such copying. The charge for providing other public records will be at actual cost as determined by the public records officer. Postal charges will be added when applicable. No copies of records will be provided to the requestor until all such charges have been paid.

(3) Nothing contained in this section shall preclude the director from agreeing to exchange or provide copies of manuals or other public records with other state or federal agencies, whenever doing so is in the best interest of the agency.

(4) The director or his or her designee is authorized to waive any of the foregoing copying costs.

[Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-090, filed 6/17/83.]

WAC 315-12-100 Exemptions. (1) The director reserves the right not to release any public records for inspection and copying which he has determined to be exempt under the provisions of RCW 42.17.310.

(2) The director shall delete identifying details when making available or publishing any public record to the extent required to prevent an unreasonable invasion of personal privacy pursuant to RCW 42.17.260. The public records officer shall set out his or her reasons for such deletion in writing.

[Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-100, filed 6/17/83.]

WAC 315-12-110 Denial of request. Each denial of a request for a public record shall be accompanied by a written statement to the requestor clearly specifying the reasons for the denial, including a statement of the specific exemption authorizing the withholding of the record and a brief explanation of how the exemption applies to the record withheld. Such statement shall be sufficiently clear and complete to permit the director or

his or her designee to review the denial in accordance with WAC 315-12-120.

[Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-110, filed 6/17/83.]

WAC 315-12-120 Request for review of denials of public records requests. (1) Any person who objects to the denial of a request for a public record may request the public records officer for prompt review of such decision by tendering a written request for review. The written request shall specifically refer to the written statement by the public records officer or other staff member which constituted or accompanied the denial.

(2) After receiving a written request for review of a decision denying a public record, if the public records officer determines to affirm the denial, the public records officer shall immediately refer the written request and the pertinent documents to the director. The director or the director's designee shall promptly consider the matter and either affirm or reverse such denial. The decision of the director or the director's designee shall constitute final agency action for purposes of judicial review.

[Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-120, filed 6/17/83.]

WAC 315-12-130 Protection of public records. Public records shall be disclosed only in the presence of a public records officer or his/her designee, who shall withdraw the record(s) if the person requesting disclosure acts in a manner which will damage or substantially disorganize the records or interfere excessively with other essential functions of the agency. This section shall not be construed to prevent the director from accommodating a requestor by use of the mails in the disclosure process or by providing disclosure at a time which will not interfere with the agency's essential functions.

[Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-130, filed 6/17/83.]

WAC 315-12-140 Records index. (1) Index. The director shall maintain a current index which provides identifying information as to the following records issued, adopted, or promulgated by the commission and the director:

(a) Final opinions, including concurring and dissenting opinions, as well as orders, made in the adjudication of cases;

(b) Those statements of policy and interpretations of policy, statute, and constitution which have been adopted by the agency;

(c) Administrative staff manuals and instructions to staff that affect a member of the public;

(d) Planning policies and goals, and interim and final planning decisions;

(e) Factual staff reports and studies, factual consultant's reports and studies, scientific reports and studies, and any other factual information derived from tests, studies, reports, and surveys, whether conducted by public employees or others; and

(f) Correspondence, and materials referred to therein, by and with the agency relating to any regulatory, supervisory, or enforcement responsibilities of the agency, whereby the agency determines, or opines upon, or is asked to determine or opine upon, the rights of the state, the public, a subdivision of state government, or of any private party.

(2) Availability. The current index promulgated by the director shall be available to all persons under the same rules and on the same conditions as are applied to public records available for inspection.

[Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-140, filed 6/17/83.]

WAC 315-12-150 Communications. All written communications with the commission or director pertaining to the administration or enforcement of chapter 42.17 RCW and these rules shall be addressed as follows: Washington State Lottery, P.O. Box 9770, Olympia, WA 98504, Attn: Public Records Officer.

[Statutory Authority: RCW 42.17.250. 83-13-080 (Order 23), § 315-12-150, filed 6/17/83.]

Chapter 315-20 WAC

**PROCEDURAL RULES--CONTESTED CASES--
PETITIONS FOR DECLARATORY RULING AND
RULE MAKING**

WAC	
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315-20-140	Declaratory rulings.
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WAC 315-20-010 Director may temporarily suspend license pending a hearing. (1) The director may temporarily suspend a license or addendum thereto issued pursuant to these rules pending a hearing upon suspension or revocation of the license, or issuance of a renewal thereof, when in the opinion of the director:

(a) The lottery retailer has obtained the license or addendum by fraud, trick, misrepresentation, concealment, or through inadvertence or mistake; or

(b) The lottery retailer has engaged in any act, practice or course of operation as would operate as a fraud

or deceit on any person, or has employed any device, scheme or artifice to defraud any person; or

(c) The lottery retailer has violated, failed, or refused to comply with any of the provisions, requirements, limitations, or duties imposed by chapter 67.70 RCW and any amendments thereto or any rules adopted by the commission pursuant thereto; or

(d) Immediate cessation of the licensed activities by the lottery retailer is necessary for the protection or preservation of the welfare of the community within which these activities are being conducted.

(2) Notice of such temporary suspensions shall be served in accordance with WAC 10-08-110.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-20-010, filed 12/16/85; 83-13-081 (Resolution No. 24), § 315-20-010, filed 6/17/83.]

WAC 315-20-020 Appearance and practice before the director--Who may appear. (1) No person may appear in a representative capacity before the commission or the director of his or her designated administrative law judge other than the following:

(a) Attorneys at law duly qualified and entitled to practice before the supreme court of the state of Washington.

(b) Attorneys at law qualified and entitled to practice before the highest court of record of any other state, if the attorneys at law of the state of Washington are permitted to appear in a representative capacity before administrative agencies of such other state, and if not otherwise prohibited by Washington state law.

(c) A bona fide officer, authorized manager, partner, or full time employee of an individual firm, association, partnership, or corporation who appears for such individual firm, association, partnership or corporation.

(d) Such other persons as may be permitted by the commission or director upon a showing by a party to the hearing of such a necessity or such a hardship as would make it unduly burdensome upon him to have a representative as set forth under subsections (a), (b) and (c) above.

(2) Nothing herein shall preclude an individual from appearing on his own behalf, pro se.

[Statutory Authority: RCW 67.70.040. 83-13-081 (Resolution No. 24), § 315-20-020, filed 6/17/83.]

WAC 315-20-040 Standards of ethical conduct. All persons appearing in proceedings before the commission or the director in a representative capacity shall conform to the standards of ethical conduct required of attorneys before the courts of the state of Washington. If any such person does not conform to such standards, the commission or the director may decline to permit such person to continue to appear in a representative capacity in that proceeding or in any other proceeding before the commission or the director.

[Statutory Authority: RCW 67.70.040. 83-13-081 (Resolution No. 24), § 315-20-040, filed 6/17/83.]

WAC 315-20-050 Appearance by former employee of commission or former member of attorney general's

staff. Former director(s), commissioners, employees of the director and the assistant attorney general assigned to the director and/or the commission shall not appear in a representative capacity on behalf of any party in a formal proceeding before the director, his or her designated administrative law judge or the commission unless:

(1) The appearance is more than two years after he or she severed his or her relationship or employment and

(2) He or she did not take an active part on behalf of the director or commission in the matter being decided.

[Statutory Authority: RCW 67.70.040. 83-13-081 (Resolution No. 24), § 315-20-050, filed 6/17/83.]

WAC 315-20-060 Waiver of hearing. In any case involving violations of the lottery laws, rules or regulations, where the director deems it appropriate, the director may afford the lottery retailer an opportunity to waive a formal hearing which he has timely requested. If the lottery retailer so elects to waive formal hearing, he or she may then state in writing any matter in explanation or mitigation of the violations which he or she desires the director to consider in making his or her decision. The lottery retailer at the time he or she submits the waiver, may also request to be present when the director meets to consider his or her decision in the matter. In the event the lottery retailer elects to waive formal hearing he or she shall thereafter be bound by such election and may not thereafter request formal hearing.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-20-060, filed 12/16/85; 83-13-081 (Resolution No. 24), § 315-20-060, filed 6/17/83.]

WAC 315-20-070 Depositions in contested cases--Right to take. Except as may be otherwise provided, any party may take the testimony of any person, including a party, by deposition upon oral examination for the same purposes and to the same extent allowed by the superior court civil rules. The attendance of witnesses may be compelled by the use of a subpoena. The taking of depositions, limitations upon the taking of depositions and use of depositions shall be as set forth in superior court civil rules 26-30 and 32.

[Statutory Authority: RCW 67.70.040. 83-13-081 (Resolution No. 24), § 315-20-070, filed 6/17/83.]

WAC 315-20-080 Official notice--Material facts. In the absence of controverting evidence, the director, upon request made before or during a hearing, or upon his or her own motion, may officially notice:

(1) Lottery proceedings. The pendency of, the issues and position of the parties therein, and the disposition of any proceeding than pending before or theretofore concluded by the commission or the director;

(2) Business customs. General customs and practices followed in the transaction of business;

(3) Notorious facts. Facts so generally and widely known to all well informed persons as not to be subject to reasonable dispute, or specific facts which are capable of immediate and accurate demonstration by resort to

accessible sources of generally accepted authority, including but not exclusively, facts stated in any publication authorized or permitted by law to be made by any federal or state officer, department or agency;

(4) Technical knowledge. Matters within the technical knowledge of the director as an expert, within the scope or pertaining to the subject matter of his or her statutory duties, responsibilities or jurisdiction;

(5) Request or suggestion. Any party may request, or the administrative law judge or the commission or the director may suggest, that official notice be taken of material fact, which shall be clearly and precisely stated, orally on the record, at any prehearing conference or oral hearing or argument, or may make such request or suggestion by written notice, any pleading, motion, memorandum, or brief served upon all parties, at any time prior to a final decision;

(6) Statement. Where an initial or final decision of the commission or the director rests in whole or in part upon official notice of a material fact, such fact shall be clearly and precisely stated in such decision. In determining whether to take official notice of material facts, the administrative law judge or the commission or the director may consult any source of pertinent information, whether or not furnished by any party and whether or not admissible under the rules of evidence;

(7) Controversion. Any party may controvert a request or a suggestion that official notice of a material fact be taken at the time the same is made if it is made orally, or by a pleading, reply or brief in response to the pleading or brief or notice in which the same is made. If any decision is stated to rest in whole or in part upon official notice of a material fact which the parties have not had a prior opportunity to controvert, any party may controvert such fact by appropriate exceptions if such notice is taken in an initial or intermediate decision or by a petition for reconsideration if notice of such fact is taken in a final report. Such controversion shall concisely and clearly set forth the sources, authority and other data relied upon to show the existence or nonexistence of the material fact assumed or denied in the decision;

(8) Evaluation of evidence. Nothing herein shall be construed to preclude the director from utilizing his or her experience, technical competence, and specialized knowledge in the evaluation of the evidence presented.

[Statutory Authority: RCW 67.70.040. 83-13-081 (Resolution No. 24), § 315-20-080, filed 6/17/83.]

WAC 315-20-090 Form and content of decisions in contested cases and proposed orders. Whenever the director considers that any matter of proceeding will be best handled by the issuance of a proposed order by the director or a proposed or initial decision is issued by an administrative law judge, such an order shall be issued and the parties so notified. Upon receipt of such notice and proposed order, any party may file exceptions to the same within ten days after the date of the service of the proposed or initial order, unless a greater or lesser time for response is stated in the proposed or initial order or an extension of time is granted by the director for good

cause shown. A copy of the exceptions shall be served upon all other parties who have appeared in the cause, or their attorneys of record, together with proof of such service in accordance with the rules governing service of process. Any party may answer the exceptions so filed and served within ten days after service of said exceptions upon him or her. Briefs may accompany the exceptions or answers thereto and shall be filed and served in the same manner. After a full consideration of the proposed order, the exceptions and the answers to exceptions so filed and briefs, the director may affirm the proposed or initial order by service of an order of affirmation upon the parties, or, if it deems the exception well taken, may revise the proposed order and issue a final order differing from the proposed order. The director, in his or her discretion, may allow the parties to present oral arguments. If no party files exceptions in a timely manner to a proposed or initial order, that order shall be final.

[Statutory Authority: RCW 67.70.040. 87-01-057 (Order 96), § 315-20-090, filed 12/16/86; 83-13-081 (Resolution No. 24), § 315-20-090, filed 6/17/83.]

WAC 315-20-100 Petitions for rule making, amendments or repeal--Who may petition. Any interested person may petition the commission requesting the promulgation, amendment, or repeal of any rule.

[Statutory Authority: RCW 67.70.040. 83-13-081 (Resolution No. 24), § 315-20-100, filed 6/17/83.]

WAC 315-20-110 Petitions for rule making, amendments or repeal--Requisites. Where the petition requests the promulgation of a rule, the requested or proposed rule must be set out in full. The petition must also include all the reasons for the requested rule together with briefs of any applicable law. Where the petition requests the amendment or repeal of a rule presently in effect, the rule or portion of the rule in question must be set out as well as a suggested amended form, if any. The petition must include all reasons for the requested amendment or repeal of the rule.

[Statutory Authority: RCW 67.70.040. 83-13-081 (Resolution No. 24), § 315-20-110, filed 6/17/83.]

WAC 315-20-120 Petitions for rule making, amendments or repeal--Agency must consider. All petitions shall be considered by the commission and the commission may, in its discretion, order a hearing for the further consideration and discussion of the requested promulgation, amendment, repeal, or modification of any rule.

[Statutory Authority: RCW 67.70.040. 83-13-081 (Resolution No. 24), § 315-20-120, filed 6/17/83.]

WAC 315-20-130 Petitions for rule making, amendments or repeal--Notice of disposition. The commission shall notify the petitioning party within a reasonable time of the disposition, if any, of the petition.

[Statutory Authority: RCW 67.70.040. 83-13-081 (Resolution No. 24), § 315-20-130, filed 6/17/83.]

WAC 315-20-140 Declaratory rulings. (1) As prescribed by RCW 34.04.080, any interested person may petition the commission for a declaratory ruling. The commission shall consider the petition and within a reasonable time shall:

- (a) Issue a nonbinding declaratory ruling; or
- (b) Notify the person that no declaratory ruling is to be issued; or
- (c) Set a reasonable time and place for hearing argument upon the matter, and give reasonable notification to the person of the time and place for such hearing and of the issues involved.

(2) If a hearing as provided in subsection (1)(c) is conducted, the commission shall within a reasonable time:

- (a) Issue a binding declaratory rule; or
- (b) Issue a nonbinding declaratory ruling; or
- (c) Notify the person that no declaratory ruling is to be issued.

[Statutory Authority: RCW 67.70.040. 83-13-081 (Resolution No. 24), § 315-20-140, filed 6/17/83.]

WAC 315-20-150 Forms. (1) Any interested person petitioning the commission for a declaratory ruling pursuant to RCW 34.04.080, shall generally adhere to the following form for such purpose.

(2) At the top of the page shall appear the wording "Before the Washington state lottery." On the left side of the page below the foregoing the following caption shall be set out: "In the matter of the petition of (name of petitioning party) for a declaratory ruling." Opposite the foregoing caption shall appear the word "petition."

(3) The body of the petition shall be set out in numbered paragraphs. The first paragraph shall state the name and address of the petitioning party. The second paragraph shall state all rules or statutes that may be brought into issue by the petition. Succeeding paragraphs shall state the facts relied upon in form similar to that applicable to complaints in civil actions before the superior courts of this state. The concluding paragraphs shall contain the prayer of the petitioner. The petition shall be subscribed and verified in the manner prescribed for verification of complaints in the superior courts of this state.

(4) The original and two legible copies shall be filed with the commission. Petitions shall be on white paper, either 8-1/2" X 11" or 8-1/2" X 13" in size.

(5) Any interested person petitioning the commission requesting the promulgation, amendment or repeal of any rules shall generally adhere to the following form for such purpose:

(a) At the top of the page shall appear the wording "Before the Washington state lottery." On the left side of the page below the foregoing the following caption shall be set out: "In the matter of the petition of (name of petitioning party) for (state whether promulgation, amendment or repeal) of rule (or rules)." Opposite the foregoing caption shall appear the word "petition."

(b) The body of the petition shall be set out in numbered paragraphs. The first paragraph shall state the name and address of the petitioning party and whether

petitioner seeks the promulgation of new rule or rules, or amendment or repeal of existing rule or rules. The second paragraph, in case of a proposed new rule or amendment of an existing rule, shall set forth the desired rule in its entirety. Where the petition is for amendment, the new matter shall be underscored and the matter proposed to be deleted shall appear in double parentheses. Where the petition is for repeal of an existing rule, such shall be stated and the rule proposed to be repealed shall either be set forth in full or shall be referred to by commission rule number. The third paragraph shall set forth concisely the reasons for the proposal of the petitioner and shall contain a statement as to the interest of the petitioner in the subject matter of the rule. Additional numbered paragraphs may be used to give full explanation of petitioner's reason for the action sought.

(c) Petitions shall be dated and signed by the person or entity named in the first paragraph or by his or her attorney. The original and two legible copies of the petition shall be filed with the commission. Petitions shall be on white paper, either 8-1/2" X 11" or 8-1/2" X 13" in size.

[Statutory Authority: RCW 67.70.040. 83-13-081 (Resolution No. 24), § 315-20-150, filed 6/17/83.]

Chapter 315-30 WAC

ON-LINE GAMES--GENERAL RULES

WAC

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WAC 315-30-010 On-line games—Authorized—Director's authority. The commission hereby authorizes the director to select and operate on-line games which meet the criteria set forth in this chapter.

[Statutory Authority: RCW 67.70.040. 84-01-005 (Order 44), § 315-30-010, filed 12/8/83.]

WAC 315-30-020 Definitions. (1) On-line game. A lottery game in which a player pays a fee to a lottery retailer and selects a combination of digits, numbers, or symbols; type and amount of play; and drawing date and receives a computer generated ticket with those selections printed on it. The lottery will conduct a drawing to determine the winning combination(s) in accordance with the rules of the specific game being played. Each ticket bearer whose valid ticket includes a winning combination shall be entitled to a prize if claim is submitted within the specified time period.

(2) On-line retailer. A lottery retailer authorized by the lottery to sell on-line tickets. On-line retailers shall sell all lottery games including but not limited to instant game tickets offered by the lottery.

(3) On-line ticket. A computer-generated ticket issued by an on-line retailer to a player as a receipt for the combination a player has selected. That ticket shall be the only acceptable evidence of the combination of digits, numbers, or symbols selected. On-line tickets may be purchased only from on-line retailers.

(4) Ticket distribution machine (TDM). The computer hardware through which an on-line retailer enters the combination selected by a player and by which on-line tickets are generated and claims are validated.

(5) Drawing. The procedure determined by the director by which the lottery selects the winning combination in accordance with the rules of the game.

(6) Certified drawing. A drawing about which the lottery and an independent certified public accountant attest that the drawing equipment functioned properly and that a random selection of a winning combination occurred.

(7) Winning combination. One or more digits, numbers, or symbols randomly selected by the lottery in a drawing which has been certified.

(8) Validation. The process of determining whether an on-line ticket presented for payment is a winning ticket.

(9) Validation number. The twelve-digit number printed on the front of each on-line ticket which is used for validation.

(10) Ticket bearer. The person who has signed the on-line ticket or who has possession of an unsigned ticket.

(11) Metropolitan area. Benton, Clark, Franklin, King, Kitsap, Pierce, Snohomish, Spokane, Thurston, Whatcom, and Yakima counties. (These geographic areas have been identified as the metropolitan statistical areas in the state of Washington by the Federal Committee on Standard Metropolitan Statistical Areas of the Office of Management and Budget.)

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-30-020, filed 12/16/85; 85-09-004 (Order 72), § 315-30-020, filed 4/5/85; 84-19-045 (Order 64), § 315-30-020, filed 9/17/84; 84-01-005 (Order 44), § 315-30-020, filed 12/8/83.]

WAC 315-30-030 On-line games criteria. (1) The base price of an on-line ticket shall not be less than \$.50 and not more than \$5.00.

(2) On the average the total of all prizes available to be won in an on-line game shall not be less than forty-five percent of the on-line game's projected revenue.

(3) The manner and frequency of drawings may vary with the type of on-line game.

(4) The times, locations, and drawing procedures shall be determined by the director.

(5) A ticket bearer claiming a prize shall submit the apparent winning ticket as specified by the director. The ticket must be validated pursuant to WAC 315-30-050 by the lottery or an on-line retailer through use of the validation number and any other means as specified by the director.

(6) Procedures for claiming on-line prizes are as follows:

(a) To claim an on-line game prize of \$600.00 or less, the claimant shall present the winning on-line ticket to any on-line retailer or to the lottery.

(i) If the claim is presented to an on-line retailer, the on-line retailer shall validate the claim and, if determined to be a winning ticket, make payment of the amount due the claimant. If the on-line retailer cannot validate the claim, the claimant may obtain and complete a claim form, as provided in WAC 315-06-120, and submit it with the disputed ticket to the lottery by mail or in person. Upon determination that the ticket is a winning ticket, the lottery shall present or mail a check to the claimant in payment of the amount due. If the ticket is determined to be a nonwinning ticket, the claim shall be denied and the claimant shall be promptly notified. Nonwinning tickets will not be returned to the claimant.

(ii) If the claim is presented to the lottery, the claimant shall complete a claim form, as provided in WAC 315-06-120, and submit it with the apparent winning ticket to the lottery by mail or in person. Upon determination that the ticket is a winning ticket, the lottery shall present or mail a check to the claimant in payment of the amount due, less the withholding required by the Internal Revenue Code. If the ticket is determined to be a nonwinning ticket, the claim shall be denied and the claimant shall be promptly notified. Nonwinning tickets will not be returned to the claimant.

(b) To claim an on-line prize of more than \$600.00, the claimant shall obtain and complete a claim form, as provided in WAC 315-06-120, and submit it with the apparent winning ticket to the lottery by mail or in person. Upon determination that the ticket is a winning ticket, the lottery shall present or mail a check to the claimant in payment of the amount due, less the withholding required by the Internal Revenue Code. If the ticket is determined to be a nonwinning ticket, the claim shall be denied and the claimant shall be promptly notified. Nonwinning tickets will not be returned to the claimant.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-30-030, filed 12/16/85; 85-16-031 (Order 77), § 315-30-030, filed 7/30/85; 84-19-045 (Order 64), § 315-30-030, filed 9/17/84; 84-01-005 (Order 44), § 315-30-030, filed 12/8/83.]

WAC 315-30-040 Drawings and end of sales prior to drawings. (1) Drawings shall be conducted in a location and at days and times designated by the director. Each on-line drawing script shall contain the statement, "Digits/Numbers/Symbols drawn are not official until validated."

(2) The director shall announce for each type of on-line game the time for the end of sales prior to the drawings. TDMs will not process orders for on-line tickets for that drawing after the time established by the director.

(3) The director shall designate the type of equipment to be used and shall establish procedures to randomly select the winning combination for each type of on-line game.

(4) The equipment used to determine the winning combination shall not be electronically or otherwise connected to the central computer or to any tapes, discs, files, etc., generated or produced by the central computer. The equipment shall be tested prior to and after each drawing to assure proper operation and lack of tampering or fraud. Drawings shall not be certified until all checks are completed. No prizes shall be paid until after the drawing is certified.

(5) All drawings shall be broadcast live on television provided the facilities for such broadcasts are available and operational.

(6) The director shall establish procedures governing the conduct of drawings for each type of on-line game. The procedures shall include provisions for deviations which include but are not limited to: (a) Drawing equipment malfunction before validation of the winning combination; (b) video and/or audio malfunction during the drawing; (c) fouled drawing; (d) delayed drawing; and (e) other equipment, facility and/or personnel difficulties.

(7) In the event a deviation occurs, the drawing will be completed under lottery supervision. The drawing shall be video taped for later broadcast, if broadcast time is available. The drawing shall be certified and the deviation documented on the certification form. The winning combination will be provided to the television network for dissemination to the public.

(8) If during any live-broadcast drawing for a game, a mechanical failure or operator error causes an interruption in the selection of all digits, numbers, or symbols, a "foul" shall be called by the lottery drawing official. Any digit/number/symbol drawn prior to a "foul" being called will stand and be deemed official after passing lottery validation tests.

(9) The director shall delay payment of all prizes if any evidence exists or there are grounds for suspicion that tampering or fraud has occurred. Payment shall be made after an investigation is completed and the drawing certified. If the drawing is not certified, another drawing will be conducted to determine the actual winner.

[Statutory Authority: RCW 67.70.040, 84-19-045 (Order 64), § 315-30-040, filed 9/17/84; 84-01-005 (Order 44), § 315-30-040, filed 12/8/83.]

WAC 315-30-050 Validation requirements. (1) To be a valid winning on-line ticket, all of the following conditions must be met:

(a) All printing on the ticket shall be present in its entirety, be legible, and correspond, using the computer validation file, to the combination and date printed on the ticket.

(b) The ticket shall be intact.

(c) The ticket shall not be mutilated, altered, or tampered with in any manner.

(d) The ticket shall not be counterfeit or an exact duplicate of another winning ticket.

(e) The ticket must have been issued by an authorized on-line retailer in an authorized manner.

(f) The ticket must not have been stolen.

(g) The ticket must not have been cancelled or previously paid.

(h) The ticket shall pass all other confidential security checks of the lottery.

(2) Any ticket failing any validation requirement listed in WAC 315-30-050(1) is invalid and ineligible for a prize. Provided, if a court of competent jurisdiction determines that a claim based on a ticket which has failed to validate solely because of subsection (1)(g) of this section is valid, the claim shall be paid as a prize pursuant to WAC 315-06-120, 315-30-030, and the rules for that specific type of game. The agent that cancelled or paid such ticket shall indemnify the lottery for payment of the prize and from any other claim, suit, or action based on that ticket.

(3) The director may replace an invalid on-line ticket with an on-line ticket for a future drawing of the same game. The director may pay the prize for a ticket that is partially mutilated or is not intact if the on-line ticket can still be validated by the other validation requirements.

(4) In the event a defective on-line ticket is purchased, the only responsibility or liability of the lottery or the on-line retailer shall be the replacement of the defective on-line ticket with another on-line ticket for a future drawing of the same game.

[Statutory Authority: RCW 67.70.040, 85-22-057 (Order 81), § 315-30-050, filed 11/5/85; 84-01-005 (Order 44), § 315-30-050, filed 12/8/83.]

WAC 315-30-060 Payment of prizes by on-line retailers. (1) An on-line retailer shall pay to the ticket bearer on-line game prizes of \$600.00 or less for any validated claims presented to that on-line retailer regardless of where the on-line ticket was purchased. These prizes shall be paid during all normal business hours of that on-line retailer, provided, the on-line system is operational and claims can be validated. The on-line retailer shall not charge the claimant any fee for payment of the prize or for cashing a business check drawn on the lottery retailer's account.

(2) An on-line retailer may pay prizes in cash or by business check, certified check, or money order. An on-line retailer that pays a prize with a check which is dishonored may be subject to suspension or revocation of its license, pursuant to WAC 315-04-200.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-30-060, filed 12/16/85; 85-09-004 (Order 72), § 315-30-060, filed 4/5/85; 84-01-005 (Order 44), § 315-30-060, filed 12/8/83.]

WAC 315-30-070 Retailer settlement. (1) Each on-line retailer shall establish an account for deposit of monies derived from on-line games with a financial institution that has the capability of electronic funds transfer (EFT).

(2) Each on-line retailer shall make a deposit to that account at least once each week. The amount deposited shall be sufficient to cover monies due the lottery for that weekly accounting period. The lottery will withdraw by EFT the amount due the lottery on the day specified

by the director. In the event the day specified for withdrawal falls on a legal holiday, withdrawal will be accomplished on the following business day.

[Statutory Authority: RCW 67.70.040, 86-01-060 (Order 83), § 315-30-070, filed 12/16/85; 84-01-005 (Order 44), § 315-30-070, filed 12/8/83.]

WAC 315-30-080 On-line retailer selection criteria.

(1) The selection and distribution of on-line 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) An on-line license endorsement shall be issued only to a person who possesses a valid general license, provided, the director may issue an on-line endorsement to a lottery retailer who possesses a valid provisional license if that retailer is a new owner of a previously established on-line location.

(3) In addition, the director shall consider the following factors in the selection of on-line retailers.

(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 315-30-090, (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 TDM's to be installed throughout the state and shall establish procedures for on-line site selection. In determining the order in which TDMs will be installed within a given geographic area an on-line 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 TDM location;

(d) Products sold;

(e) Services available;

(f) Store's hours;

(g) Estimated on-line sales;

(h) Instant sales per week;

(i) Nearest four on-line agents' sales per week;

(j) District sales representative's assessment; and

(k) Regional sales manager's assessment.

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

(a) Sales volume not increasing at state-wide 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 on-line agent locations; and

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

(6) The director may immediately discontinue a TDM's operation, order removal of a TDM from an on-line retailer location, or take any other action authorized under WAC 315-04-200 in the event that the on-line agent:

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

(b) Tamper with or attempts to tamper with the TDM or on-line system;

(c) Fails to make payment of a prize; or

(d) Makes payment with a business check and the check is dishonored for any reason.

[Statutory Authority: RCW 67.70.040, 85-22-057 (Order 81), § 315-30-080, filed 11/5/85; 85-09-004 (Order 72), § 315-30-080, filed 4/5/85; 84-21-013 (Order 66), § 315-30-080, filed 10/5/84; 84-05-008 (Order 51), § 315-30-080, filed 2/7/84.]

WAC 315-30-090 On-line retailer credit criteria.

(1) The director shall deny an on-line license endorsement to any applicant whose credit is rated as poor as defined in this section.

(2) The director may grant an on-line license endorsement to an applicant whose credit is rated as marginal or minimum as defined in this section. Provided, the director shall require:

(a) Applicants whose credit is rated as marginal as defined in this section to obtain a surety bond or post cash in lieu of a bond under terms and conditions established by the director prior to issuance of the on-line license endorsement. Such surety bond must be secured from a company licensed to do business in the state of Washington. The bond or cash shall be in the amount of seven thousand five hundred dollars unless the director determines a higher amount is required.

(b) Applicants whose credit is rated as minimum as defined in this section to obtain a surety bond or post cash in lieu of a bond under terms and conditions established by the director or submit five letters of credit to the lottery prior to issuance of the on-line license endorsement. Such surety bond must be secured from a company licensed to do business in the state of Washington. The bond or cash shall be in the amount of seven thousand five hundred dollars unless the director determines a higher amount is required.

(3) In the event the retailer's credit is rated as poor or marginal subsequent to the issuance of the license endorsement the director may:

(a) Revoke or suspend a retailer's on-line license endorsement and/or;

(b) Require such an agent to secure a surety bond from a company licensed to do business in the state of Washington or post cash in lieu of a bond under terms and conditions established by the director. The surety

bond or cash shall be in the amount of seven thousand five hundred dollars unless the director determines, based on sales volume and financial solvency of the retailer, a higher amount is required.

(4) Credit ratings are defined as follows:

(a) Business credit - information concerning the meeting of financial obligations when they become due in the normal course of business and includes currently reporting accounts payable and payment records up to six months prior to the lottery's credit check request. Accounts are evaluated by the percentage of the balance that falls in each of the following categories: Zero to thirty days, thirty-one to sixty days beyond terms, sixty-one to ninety days beyond terms, and ninety-one plus days beyond terms.

(i) A "poor" credit rating indicates that at least half of the accounts have a portion of the balance that is in the sixty-one days and over categories.

(ii) A "marginal" credit rating indicates that at least half of the accounts have a portion of the balance that is in the thirty-one days and over categories.

(iii) A "minimum" credit rating indicates the information is insufficient for evaluation.

(iv) An "acceptable" credit rating indicates that the majority of current accounts are in the zero to thirty days payment category. Provided, at least three accounts must be evaluated in order to receive an "acceptable" rating.

(b) Personal credit - includes current reporting personal accounts payable and public financial record information including but not limited to court records, other public records and reports from credit bureaus or other credit reporting agencies up to seven years prior to the lottery's credit check request. A significant incident shall be defined as public financial record information which includes any lien, judgment, bankruptcy, involuntary collection action, or any similar incident which reflects on the individuals willingness and ability to pay creditors. A numerical rating of "one" represents excellent credit. A numerical rating of "nine" represents involuntary collection.

(i) A "poor" credit rating indicates at least half of the accounts are rated over "five," and/or the public record information indicates three or more significant incidents within the past three years.

(ii) A "marginal" credit rating indicates that at least half of the accounts are rated over "three," and/or the public record information indicates one or more significant incidents within the past three years.

(iii) A "minimum" credit rating indicates the information is insufficient for evaluation.

(iv) An "acceptable" credit rating indicates that the majority of the reporting accounts are rated under "three" and that there have been no significant incidents in the public record within the past three years. Provided, at least, three accounts must be evaluated in order to receive an "acceptable" rating.

[Statutory Authority: RCW 67.70.040, 87-01-058 (Order 97), § 315-30-090, filed 12/16/86; 86-01-060 (Order 83), § 315-30-090, filed 12/16/85; 85-09-004 (Order 72), § 315-30-090, filed 4/5/85; 84-05-008 (Order 51), § 315-30-090, filed 2/7/84.]

Chapter 315-31 WAC
TRIPLE CHOICE RULES

WAC

315-31-020	Price of Triple Choice on-line ticket.
315-31-030	Types of play for Triple Choice.
315-31-040	Prizes for Triple Choice.
315-31-050	Ticket purchases.
315-31-060	Drawings.

WAC 315-31-020 Price of Triple Choice on-line ticket. The base price of a Triple Choice on-line ticket shall be \$.50 or \$1.00, except six-way straight box and three-way straight box tickets, which cost \$1.00 each.

[Statutory Authority: RCW 67.70.040, 84-19-045 (Order 64), § 315-31-020, filed 9/17/84; 84-01-005 (Order 44), § 315-31-020, filed 12/8/83.]

WAC 315-31-030 Types of play for Triple Choice. The following play options may be selected by the player for Triple Choice:

(1) **Straight.** A play in which winning is achieved only when the three digits selected by the player match in exact order the winning digits drawn for the day selected. For example, if the winning digits are "123," only straight plays of "123" in that exact order will be winners.

(2) **Six-way box.** A play in which winning is achieved only when the three digits selected by the player contains three unique digits and those three digits are contained in any combination of the winning digits drawn for the day selected. For example, if the winning digits are "123," only box plays of "123," "132," "213," "231," "312," and "321" will be winners.

(3) **Three-way box.** A play in which winning is achieved only when the three digits selected by the player contains two identical digits and one unique digit and those three digits are contained in the winning digits drawn for the day selected. For example, if the winning digits are "122," only box plays of "122," "212," and "221" will be winners.

(4) **Front-pair.** A play in which winning is achieved only when the player selects two digits and those two digits match in exact order the first two winning digits drawn for the day selected. For example, if the player selects a front-pair play of "12*," the player will win only if the winning digits are "120," "121," "122," "123," "124," "125," "126," "127," "128," or "129."

(5) **Back-pair.** A play in which winning is achieved only when the player selects two digits and those two digits match in exact order the last two winning digits drawn for the day selected. For example, if the player selects a back-pair play of "*12," the player will win only if the winning digits are "012," "112," "212," "312," "412," "512," "612," "712," "812," or "912."

(6) **Six-way straight box.** A play in which the player selects three digits with three unique digits and plays \$.50 on a straight play and \$.50 on a box play for a particular day. For example, if the player selects a "123" six-way straight/box play:

(a) The player will win both the straight and box plays if the winning digits are "123" for the day selected.

(b) The player will win the box play only if the winning digits are "132," "213," "231," "312," or "321" for the day selected.

(7) **Three-way straight/box.** A play in which the player selects three digits with two identical digits and one unique digit and plays \$.50 on a straight play and \$.50 on a box play for a particular day. For example, if the player selects a "122" three-way straight/box play:

(a) The player will win both the straight and box plays if the winning digits are "122" for the day selected.

(b) The player will win the box play only if the winning digits are "212" or "221" for the day selected.

(8) **Super six-way box.** A play in which winning is achieved only when the three digits selected by the player contain three unique digits and those three digits are contained in the winning digits drawn for the day selected. This play is the equivalent of six straight plays on a single on-line ticket. The cost of this type of play is 6 times the base price. For example, if the player selects a "123" super six-way box play, the player will win one straight play if the winning digits are "123," "132," "213," "231," "312," or "321."

(9) **Super three-way box.** A play in which winning is achieved only when the three digits selected by the player contain two identical digits and one unique digit and those three digits are contained in the winning digits drawn for the day selected. This play is the equivalent of three straight plays on a single on-line ticket. The cost of this type of play is three times the base price. For example, if the player selects a "122" super three-way box play, the player will win one straight play if the winning digits are "122," "212," or "221."

[Statutory Authority: RCW 67.70.040, 84-01-005 (Order 44), § 315-31-030, filed 12/8/83.]

WAC 315-31-040 Prizes for Triple Choice. (1) The prize amounts for winning \$.50 plays are:

(a) Straight	\$250.00
(b) Six-way box	\$ 40.00
(c) Three-way box	\$ 80.00
(d) Front-pair or back-pair	\$ 25.00

(2) The prize amounts for winning \$1.00 plays are:

(a) Straight	\$500.00
(b) Six-way box	\$ 80.00
(c) Three-way box	\$160.00
(d) Front-pair or back-pair	\$ 50.00
(e) Six-way straight/box	
Straight play win	\$290.00
Box play only win	\$ 40.00
(f) Three-way straight/box	
Straight play win	\$330.00
Box play only win	\$ 80.00

(3) The prize amounts for winning super six-way plays are:

(a) Base price \$.50, cost \$3.00	\$250.00
(b) Base price \$1.00, cost \$6.00	\$500.00

(4) The prize amounts for winning super three-way plays are:

- (a) Base price \$.50, cost \$1.50 \$250.00
- (b) Base price \$1.00, cost \$3.00 \$500.00

[Statutory Authority: RCW 67.70.040. 84-01-005 (Order 44), § 315-31-040, filed 12/8/83.]

WAC 315-31-050 Ticket purchases. (1) Triple Choice tickets may be purchased or redeemed between 6:00 a.m. and 11:00 p.m. seven days a week, provided on-line retailers shall only sell and redeem tickets during their normal business hours.

(2) Triple Choice tickets may be purchased only from a lottery retailer authorized by the director to sell on-line tickets.

(3) Each Triple Choice ticket shall contain the player's selection of digits, amount, type of play, and drawing date.

[Statutory Authority: RCW 67.70.040. 86-01-060 (Order 83), § 315-31-050, filed 12/16/85; 84-01-005 (Order 44), § 315-31-050, filed 12/8/83.]

WAC 315-31-060 Drawings. (1) Drawings for triple choice shall be held on a daily basis, Monday through Saturday, except that the director may exclude certain holidays from the drawing schedule.

(2) The drawing shall determine, at random, three winning digits or symbols with the aid of mechanical drawing equipment which shall be tested before and after each drawing. Any drawn digits are not declared winning digits until the drawing is certified by the lottery. The winning digits shall be used in determining all triple choice winners for the day of the drawing. If a drawing is not certified, another drawing will be conducted to determine actual winners.

(3) The winning digits shall not be invalidated based on the liability of the lottery.

[Statutory Authority: RCW 67.70.040. 84-01-005 (Order 44), § 315-31-060, filed 12/8/83.]

**Chapter 315-32 WAC
LOTTO**

WAC

- 315-32-010 Definitions for Lotto.
- 315-32-020 Price of Lotto ticket.
- 315-32-030 Play for Lotto.
- 315-32-040 Prizes for Lotto.
- 315-32-050 Ticket purchases.
- 315-32-060 Drawings.

WAC 315-32-010 Definitions for Lotto. (1) Number: Any play integer from 1 through 44 inclusive.

(2) Game grids: A field of the 44 numbers found on the play slip.

(3) Play slip: A mark-sense game card used by players of Lotto to select plays. There shall be ten game grids on each play slip identified as A, B, C, D, E, F, G, H, I and J.

(1986 Ed.)

[Statutory Authority: RCW 67.70.040. 85-22-057 (Order 81), § 315-32-010, filed 11/5/85; 84-17-018 (Order 61), § 315-32-010, filed 8/3/84.]

WAC 315-32-020 Price of Lotto ticket. The price of each Lotto ticket shall be \$1.00 and shall contain two plays. A player may use a play slip to purchase up to 5 tickets as follows:

- 1 ticket: \$1 - game grids A and B.
- 2 tickets: \$2 - game grids A, B, C and D.
- 3 tickets: \$3 - game grids A, B, C, D, E and F.
- 4 tickets: \$4 - game grids A, B, C, D, E, F, G and H.
- 5 tickets: \$5 - game grids A, B, C, D, E, F, G, H, I and J.

[Statutory Authority: RCW 67.70.040. 85-22-057 (Order 81), § 315-32-020, filed 11/5/85; 84-17-018 (Order 61), § 315-32-020, filed 8/3/84.]

WAC 315-32-030 Play for Lotto. (1) Type of play: A Lotto player must select six numbers in each play. A winning play is achieved only when 3, 4, 5, or 6 of the numbers selected by the player match, in any order, the six winning numbers drawn by the lottery.

(2) Method of play: The player will use play slips to make number selections. The TDM will read the play slip and issue ticket(s) with corresponding plays. If a play slip is not available, the on-line retailer may enter the selected numbers via the keyboard. A player may leave all play selections to a random number generator operated by the computer, commonly referred to as "quick play."

[Statutory Authority: RCW 67.70.040. 85-22-057 (Order 81), § 315-32-030, filed 11/5/85; 84-17-018 (Order 61), § 315-32-030, filed 8/3/84.]

WAC 315-32-040 Prizes for Lotto. (1) The prize amounts to be paid to each Lotto player who selects a winning combination of numbers in the first, second, and third prize categories vary due to the parimutuel calculation of prizes. The prize amounts are based on the total amount in the prize pool for that Lotto drawing distributed over the number of winning tickets in each category. The prize amount to be paid in the fourth prize category is a fixed value and shall be the same regardless of the number of fourth prize winners.

<u>WINNING COMBINATIONS</u>	<u>PRIZE CATEGORIES</u>	<u>ODDS OF WINNING (ONE PLAY)</u>
All six winning numbers in one play	First Prize (Jackpot)	1:7,059,052
Any five but not six winning numbers in one play	Second Prize	1:30,960
Any four but not five or six winning numbers in one play	Third Prize	1:670
Any three but not four, five, or six winning numbers in one play	Fourth Prize	1:42

(2) Prize allocation. The prize allocation consists of forty-five percent of Lotto revenue. The prize allocation will be divided between the prize pool and the prize reserve as follows: Prize pool—forty-three percent of

Lotto revenue and prize reserve—two percent of Lotto revenue.

(3) Prize amounts.

(a) First prize (jackpot). Fifty-eight percent of the prize pool is to be divided equally among all players who selected all six winning numbers in one play (in any sequence). The director may increase the cash value of the jackpot by an amount not to exceed the amount in the prize reserve.

(b) Second prize. Ten percent of the prize pool is to be divided equally among all players who selected five of the six winning numbers in one play (in any sequence).

(c) Third prize. Nineteen percent of the prize pool is to be divided equally among all players who selected four of the six winning numbers in one play (in any sequence).

(d) Fourth prize. All players who selected three of the six winning numbers in one play (in any sequence) will receive a free ticket of \$1.00 value for a future purchase of Lotto or Daily Number Game tickets.

(e) Prize reserve. The prize reserve will be held for payment of prizes at the discretion of the director.

(f) All prizes will be rounded to nearest dollar. The remainder or shortages, if any, from the rounding process shall be placed in or taken from the prize reserve.

(g) The holder of a winning ticket may win only one prize per play in connection with the winning number drawn but shall be entitled only to the highest prize category won by those numbers.

(h) The holder of two or more jackpot winning tickets with a cumulative total cash value of \$250,000 or more may elect to receive a single prize based on the total cash value with prize payments in accordance with subsection (5)(a) or (b) or this section.

(i) In the event any player who has selected three, four, five, or six of the six winning numbers does not claim the prize won within one hundred eighty days after the drawing in which the prize was won, that player's prize shall be retained in the state lottery account for further use as prizes, pursuant to RCW 67.70.190.

(4) Roll-over feature.

(a) If no player selects all six winning numbers for any given drawing, the jackpot accumulated for that drawing will be added to the jackpot accumulation for the next drawing. This process is repeated until the jackpot is won.

(b) If no player selects five of the six winning numbers for any given drawing, the second prize allocation will be added to the jackpot accumulation for the next drawing or placed in the prize reserve for future consideration at the discretion of the director.

(c) If no player selects four of the six winning numbers for any given drawing, the third prize allocation will be added to the jackpot accumulation for the next drawing or placed in the prize reserve for future consideration at the discretion of the director.

(d) If no player selects three of the six winning numbers for any given drawing, the fourth prize allocation will be added to the jackpot accumulation for the next drawing or placed in the prize reserve for future consideration at the discretion of the director.

(5) Prize payments will be made in accordance with WAC 315-30-030(6), provided, fourth prize winning tickets submitted to the lottery for payment will receive \$1.00 in lieu of a free ticket.

(a) Each prize that has a cash value of \$500,000 or more shall be paid in twenty annual payments.

(b) Each prize that has a cash value from \$250,000 up to but not including \$500,000 shall, at the discretion of the director, be paid either in ten annual payments or twenty annual payments.

(c) Each prize that has a cash value of less than \$250,000 shall be paid in a single payment.

(d) For prizes paid over a period of years, the lottery will make the first annual payment. The remaining payments will be paid in the form designated by the director.

[Statutory Authority: RCW 67.70.040. 86-12-002 (Order 92), § 315-32-040, filed 5/22/86; 86-07-039 (Order 90), § 315-32-040, filed 3/14/86; 85-22-057 (Order 81), § 315-32-040, filed 11/5/85; 85-13-015 (Order 75), § 315-32-040, filed 6/10/85; 84-21-013 (Order 66), § 315-32-040, filed 10/5/84; 84-17-018 (Order 61), § 315-32-040, filed 8/3/84.]

WAC 315-32-050 Ticket purchases. (1) Lotto tickets may be purchased between 6:00 a.m. and 11:00 p.m., Sunday through Friday and from 6:00 a.m. to the time established under WAC 315-30-040(2) on Saturdays, provided that on-line retailers shall sell tickets only during their normal business hours.

(2) Lotto tickets may be purchased only from a lottery retailer authorized by the director to sell on-line tickets.

(3) Lotto tickets shall on the front of the ticket contain the player's selection of numbers, amount, game grids played, drawing date, and validation and reference numbers. The back of the ticket shall contain overall odds of winning, player instructions, player information and signature area, and the ticket serial number.

(4) Lotto tickets may be purchased for the next drawing only.

[Statutory Authority: RCW 67.70.040. 85-22-057 (Order 81), § 315-32-050, filed 11/5/85; 84-17-018 (Order 61), § 315-32-050, filed 8/3/84.]

WAC 315-32-060 Drawings. (1) A Lotto drawing shall be held each week on Saturday evening, except that the director may change the drawing schedule if Saturday is a holiday.

(2) The drawing will be conducted by lottery officials.

(3) Each drawing shall determine, at random, six winning numbers with the aid of mechanical drawing equipment which shall be tested before and after that drawing. Any drawn numbers shall not be declared winning numbers until the drawing is certified by the lottery. The winning numbers shall be used in determining all Lotto winners for that drawing. If a drawing is not certified, another drawing will be conducted to determine actual winners.

(4) The drawing shall not be invalidated based on the liability of the lottery.

[Statutory Authority: RCW 67.70.040. 85-22-057 (Order 81), § 315-32-060, filed 11/5/85; 84-17-018 (Order 61), § 315-32-060, filed 8/3/84.]