WSR 25-20-007
PROPOSED RULES
WASHINGTON STATE LOTTERY
[Filed September 18, 2025, 11:22 a.m.]

Original Notice.

Preproposal statement of inquiry was filed as WSR 25-07-040.

Title of Rule and Other Identifying Information: Washington's lottery (lottery) is considering revisions to Title 315 WAC. Lottery is proposing amendments to this title in order to make changes to the claim and payment process along with general housekeeping.

Hearing Location(s): On December 11, 2025, at 9:00 a.m., at 814 4th Avenue East, Olympia, WA 98506-3922. A remote option will be available for this hearing using Microsoft Teams. See walottery.com or contact Kristi Weeks for details on how to participate remotely.

Date of Intended Adoption: December 11, 2025.

Submit Written Comments to: Kristi Weeks, P.O. Box 4300, Olympia, WA 98504-3000, email KWeeks@walottery.com, fax 360-515-0416, beginning immediately, by 5:00 p.m., December 10, 2025.

Assistance for Persons with Disabilities: Contact Leah White-Noreen, phone 360-791-3045, fax 360-742-3902, TTY 360-586-0933, email Leah.White@walottery.com, by December 8, 2025.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The proposed rule amendments will allow lottery to update and clarify the claim and payment processes along with general housekeeping including, but not limited to, ensuring cross references are accurate and to reflect changes such as new office addresses.

Reasons Supporting Proposal: The current rules are out-of-date. For example, regional office addresses are incorrect, cross references to other WAC are inaccurate, and the use of modern technology is not considered. The new rules will correct these issues and align the rules with current policies and procedures.

Statutory Authority for Adoption: RCW 67.70.040(1).

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Governmental.

Name of Agency Personnel Responsible for Drafting and Implementation: Kristi Weeks, 814 4th Avenue East, Olympia, WA, 360-810-2881; Enforcement: Joshua Johnston, 814 4th Avenue East, Olympia, WA, 360-810-2866.

A school district fiscal impact statement is not required under RCW 28A.305.135.

A cost-benefit analysis is not required under RCW 34.05.328. Lottery is not an agency listed in RCW 34.05.328 (5)(a)(i). Further, lottery does not voluntarily make that section applicable to the adoption of this rule pursuant to subsection (5)(a)(ii) and to date the joint [administrative] rules review committee has not made the section applicable to the adoption of this rule.

This rule proposal, or portions of the proposal, is exempt from requirements of the Regulatory Fairness Act because the proposal:

Is exempt under RCW 19.85.025(3) as the rules relate only to internal governmental operations that are not subject to violation by a nongovernment party; and rules only correct typographical errors, make address or name changes, or clarify language of a rule without changing its effect.

Scope of exemption for rule proposal:

Is fully exempt.

September 16, 2025
Kristi Weeks
Director of Legal Services

RDS-6650.1

AMENDATORY SECTION (Amending WSR 07-11-154, filed 5/22/07, effective 6/22/07)

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 RCW 67.70.030 ((~~as the regulatory agency charged with the authority and duty to regulate lottery activities~~)) to adopt rules governing the operation of the lottery and advise the director regarding the operation and administration of the lottery.

AMENDATORY SECTION (Amending WSR 87-05-005, filed 2/6/87)

WAC 315-02-020 Time and place of meetings. (1) Regular public meetings of the commission shall be held pursuant to the schedule published annually in the *Washington State Register*. Each such regular meeting shall be held 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~~)) chair or by a quorum of the commission.

AMENDATORY SECTION (Amending WSR 07-11-154, filed 5/22/07, effective 6/22/07)

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 RCW 67.70.050, to be responsible for the supervision and administration of the operation of the lottery in accordance with the RCW 67.70.060 and with the rules of the commission. The director may delegate to ((~~his or her~~)) lottery employees such responsibilities as the director may deem necessary to carry out the duties and responsibilities of this chapter.

AMENDATORY SECTION (Amending WSR 98-08-067, filed 3/30/98, effective 4/30/98)

WAC 315-02-070 Office of the director activities exempt from Environmental Protection Act. The director has reviewed ((~~his or her~~)) their authorized activities and has found them to be exempt pursuant to WAC 197-11-800.

AMENDATORY SECTION (Amending WSR 98-08-067, filed 3/30/98, effective 4/30/98)

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-103 promulgated by the code reviser for the purpose of filing adopted rules:

(1) Each member of the commission;
(2) Director or designee;
(3) Deputy director; and
(4) Director of legal services.

AMENDATORY SECTION (Amending WSR 93-04-004, filed 1/21/93, effective 2/21/93)

WAC 315-02-230 Claim defined. "Claim" means actual, physical receipt of a ticket, and claim form if necessary under these rules, by a location authorized to pay the prize sought. Placement of the ticket, and claim form, if necessary, in the United States mail or another mail service does not constitute receipt. The lottery is not responsible for tickets or claims lost or delayed in the mail.

RDS-6651.1

AMENDATORY SECTION (Amending WSR 21-06-052, filed 2/25/21, effective 3/28/21)

WAC 315-04-095 Retailer credit criteria. (1) The director shall deny a lottery retailer license to any applicant whose credit is found to be poor as defined in this section.

(2) The director may grant a lottery retailer license 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, security deposit, or savings certificate under terms and conditions established by the director prior to issuance of the license. Such surety bond must be secured from a company licensed to do business in the state of Washington. The bond, security deposit, or certificate shall be in the amount of ((~~three thousand five hundred dollars~~)) $3,500 unless the director determines a higher amount is required.

(b) Applicants whose credit is rated as minimum as defined in this section may be required to obtain a surety bond or security deposit under terms and conditions established by the director prior to issuance of a lottery retailer license. 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 ((~~three thousand five hundred dollars~~)) $3,500 unless the director determines a higher amount is required, based on financial solvency of the retailer.

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

(a) Revoke or suspend a retailer's license; and/or

(b) Require such a retailer to secure a surety bond from a company licensed to do business in the state of Washington, submit a security deposit, or post a savings certificate under terms and conditions established by the director. The surety bond, security deposit, or savings certificate shall be in the amount of ((~~three thousand five hundred dollars~~)) $3,500 unless the director determines, based on sales volume and financial solvency of the retailer, a higher amount is required.

(4) Credit rating is defined as the ability to meet financial obligations when they become due. It includes current reporting accounts payable and public financial record information including, but not limited to, court records and other public records up to three years prior to the lottery's credit check request, and reports from credit bureaus or other credit reporting agencies up to two years prior to the lottery's credit check request. A significant incident may include a lien, judgment, bankruptcy, involuntary collection action, or any similar incident that reflects on the individual's willingness and ability to pay creditors. A numerical rating of "one" represents excellent credit. A numerical rating of "nine" represents involuntary collection.

(a) A "poor" credit rating indicates public record showing three or more significant incidents within the past three years.

(b) A "marginal" credit rating indicates public record information showing one or more significant incidents within the past three years.

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

(d) An "acceptable" credit rating indicates 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.

(5) Credit rating checks shall be conducted as follows:

(a) Corporation business credit ratings shall be checked. Personal credit ratings of the corporate officers and owners of ten percent or more equity in the corporation may also be checked.

(b) Sole proprietors and partnership business credit ratings shall be checked. Personal credit ratings of:

(i) The sole proprietor and ((~~his or her~~)) their spouse; or

(ii) All partners and their spouses shall also be checked.

(c) Findings shall be applied in accordance with subsections (1), (2), and (3) of this section.

(d) Financial solvency status for licensees previously required to post a surety bond, security deposit, or savings certificate under this section shall be reviewed annually by the lottery for status improvement and possible reduction or release of the requirement.

AMENDATORY SECTION (Amending WSR 07-11-154, filed 5/22/07, effective 6/22/07)

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 lottery tickets must be submitted to the lottery a minimum of ((~~thirty~~)) 30 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) Lottery retailers must redeem all tickets winning $600 or less presented for redemption at the off premises 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 tickets winning more than $600 at both locations.

(3) The "limited off premises sales permit" shall be valid for not more than ((~~thirty~~)) 30 days and may be renewed twice, if approved by the director, for periods not to exceed ((~~thirty~~)) 30 days each.

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

(5) 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, provided, that the director, in ((~~his/her~~)) the director's sole discretion, may agree that the lottery will bear some or all of said associated costs.

RDS-6652.1

AMENDATORY SECTION (Amending WSR 89-12-042, filed 6/1/89)

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. ((~~Liquor stores of the state liquor control board and the lottery are not required to be licensed as lottery retailers. Liq-~~

~~uor agencies of the state liquor control board are required to be licensed as lottery retailers.~~))

AMENDATORY SECTION (Amending WSR 18-17-086, filed 8/14/18, effective 9/14/18)

WAC 315-06-040 Disclosure of probability of purchasing a winning ticket. (1) The estimated probability of purchasing a winning ticket shall be conspicuously displayed on:

(a) The tickets for a specific game;

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

(2) The estimated probability of purchasing a winning ticket shall be communicated in television and radio commercials for a specific game.

(3) The estimated probability of purchasing a winning ticket for each category of prize in a specific game shall be conspicuously displayed as part of:

(a) The "how-to-play" brochure which explains the procedures for the lottery's draw games; and

(b) The brochures of instructions to lottery retailers for the conduct of specific scratch games.

(4) The disclosure required by this section shall not apply to:

(a) Generic promotional and advertising materials publicizing the Washington state lottery which do not promote a specific draw game or a specific scratch ticket theme; or

(b) Promotional and advertising materials which promote multiple draw or scratch games or any combination of games in a single piece. Materials that promote or advertise multiple games or a combination of games in a single piece are required to include the following language or substantially similar language: "Please visit walottery.com for the latest odds." Such materials may include, but are not limited to, jackpot signs, banners, curb signs, building signage, vehicle wraps, and billboards.

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-06-050 Location of sale. (1) Tickets may be sold by the lottery or 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 chapter 67.70 RCW, and these rules.

(2) No sales of lottery tickets shall be made on premises used primarily for residential purposes, in or on the property of any educational facility, or facility operated primarily for providing welfare services to the poor or infirmed, or maintained solely for religious worship.

(3) No sales of lottery tickets shall be made via an internet transaction or lottery courier service.

AMENDATORY SECTION (Amending WSR 86-01-060, filed 12/16/85)

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. Service charges, convenience fees, or other charges in addition to the ticket price are prohibited.

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-06-075 Game sell-out. No Washington state lottery retailer shall sell, and no purchaser shall purchase, a ticket or combination of draw game lottery tickets((~~, which~~)) that would guarantee the purchaser a jackpot or grand prize((~~, and in accordance with chapter 315-30 WAC~~)).

AMENDATORY SECTION (Amending WSR 99-04-077, filed 2/2/99, effective 3/5/99)

WAC 315-06-085 ((~~Hand-marked play slips.~~)) Entering plays. Plays may only be entered manually using the lottery terminal keypad or lottery vending machine, or by means of a play slip provided by the lottery and hand-marked by the player. Retailers shall not permit the use of facsimiles of play slips, copies of play slips, or other materials that are inserted into the terminal's play slip reader that are not printed or approved by the lottery. Retailers shall not permit any device to be connected to a lottery terminal to enter plays, except as approved by the lottery.

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-06-090 Video machines prohibited. ((~~Coin-operated,~~)) Instant video games ((~~which~~)) that pay out prizes, either by skill or chance, shall not be used in the conduct of games((~~,~~)) pursuant to RCW 67.70.040 (1)(a).

AMENDATORY SECTION (Amending WSR 10-16-025, filed 7/23/10, effective 8/23/10)

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 one claimant, which shall be either a natural person, association, corporation, general or limited partnership, club, trust, estate, society, company, joint stock company, receiver, trustee, or another acting in a fiduciary or

representative capacity whether appointed by a court or otherwise. A claim ((~~which~~)) that includes one or more tickets with an address label or stamp on the back of the ticket shall be deemed to have been entered in the name of one claimant: Provided, That if the address label or stamp contains the name of more than one claimant, the prize payment will be made to the one who has signed the ticket and/or claim form or, if there is no signature, to the first claimant listed on the address label or stamp. If there are two or more claimant names written or signed on the ticket, lottery personnel shall return the ticket(s) to claimants and shall request that the claimants sign a notarized statement relinquishing ownership to one claimant. The claimant must submit ((~~his or her~~)) the claimant's valid government-issued identification and Social Security number (SSN) or the federal employer's identification number (FEIN) when claiming any prize exceeding ((~~six hundred dollars~~)) $600. "Valid government-issued identification" means any of the following that is either unexpired or has expired less than 90 days before the date of the claim:

(a) Driver's license or identification card issued by a U.S. state or territory;

(b) Driver's license or identification card issued by any province of Canada;

(c) Passport issued by the United States or a foreign government;

(d) U.S. military identification card;

(e) Global entry card;

(f) Other government-issued identification, including a tribal enrollment card, if the identification includes the person's name, date of birth, signature, and photograph.

(3) A claim may be entered in the name of a claimant other than a natural person only if the claimant is a legal entity and possesses a federal employer's identification number (FEIN) as issued by the Internal Revenue Service, such number is shown on the claim form, and the entity's terms comply with subsection (4) of this section. Groups, family units, organizations, clubs, or other organizations ((~~which~~)) that are not a legal entity, or do not possess a federal employer's identification number, shall designate one natural person or one legal entity in whose name the claim is to be entered.

(4) The terms governing a claimant other than a natural person, i.e., articles of incorporation, trust terms, etc., shall be submitted to the director or designee for approval. Terms not in compliance with lottery statutes or rules shall not be approved. Payment shall not be made to a claimant other than a natural person until the director has approved the terms.

All claimants other than natural persons shall have governing terms ((~~which~~)) that:

(a) Prohibit deletion, amendment, or addition of terms prior to the full payout of the prize without the director's approval;

(b) State the names of all natural persons who have a direct or indirect right or interest in the claimant, each of their percentage interests, and their Social Security numbers;

(c) Acknowledge that the debt collection process mandated by RCW 67.70.255 and WAC 315-06-125 shall be applied to the natural persons who hold interests in the claimant through their Social Security numbers; and

(d) Provide that in the event the claimant ceases to exist prior to the full payout of the prize, the lottery will not make further payment without court order.

(5) The lottery shall not make payment to a claimant other than a natural person unless the terms governing the claimant include those enumerated in subsection (4) of this section.

(6) 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 game brochure 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, employees, and the commission of all further liability upon payment of the prize; and

(b) The authorization to use the claimant's name and, upon written permission, photograph for publicity purposes by the lottery.

(7) 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~~)) 180 days, except a shared game lottery, if applicable, after the official end of that instant game or draw game drawing for which that draw game ticket was purchased.

(8) 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 was purchased or obtained through an internet transaction or lottery courier service; or

(d) 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.

(9) No natural person or legal entity entitled to a prize may assign the right to payment, except under the following limited circumstances:

(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; and

(b) When payment of all or part of the remainder of an annuity and the right to receive future annual prize payments has been voluntarily assigned to another person, pursuant to an appropriate judicial order that meets the requirements of RCW 67.70.100(2) and WAC 315-06-123.

(10) 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.

(11) A ticket that has been legally issued by the lottery or a lottery retailer is a bearer instrument until signed. The person who signs the ticket or has possession of an unsigned 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.

(12) 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~~)) 181 days after the official end of that instant game.

(13) The date of the first installment payment of each prize to be paid in installment payments shall be the date the claim is validated, or the date the winner makes a choice of payment by annual payments or by single cash payment ((~~pursuant to WAC 315-34-057~~)), if applicable. 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.

(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.

(14) 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~~)) the director's 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.

(15) If any prize is payable for the life of the winner, only a natural person may claim such a prize. Such "win for life" type prizes shall cease upon the death of the winner or the end of a guaranteed payment period (if any), whichever is later. Win for life prizes may be assigned; and the following conditions apply to such assignments:

(a) The original winner's actual life shall determine when prize payments cease; ((~~and~~))

(b) The original winner shall verify, on a form provided by the lottery, that they continue to be entitled to their annual lifetime prize. The notarized form must be provided to the lottery at least 30 days preceding the annual payment date. Failure to timely submit the notarized form may result in the payment being delayed or forfeited; and

(c) The assignee shall be responsible for notifying the lottery of the original winner's death.

(16) 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.

(17) To the extent feasible, 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.

(18) 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~~)) the director's 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.

(19) At the director's discretion, the lottery may designate an alternative payment date for prize payment.

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-06-123 Voluntary assignment of prize pursuant to an appropriate judicial order. (1) In the case of a petition for an order or an amended order for the voluntary assignment of a prize, a copy of a petition shall be served on the director of the lottery or designee, in addition to service on the attorney general, no later than ((~~ten~~)) 10 days before any hearing or entry of any order or amended order. After superior court entry of voluntary assignment of a right to a prize pursuant to an appropriate judicial order or amended order, the director shall make payment to the person designated by a certified copy of the order or amended order which has been served upon the director personally or by certified mail provided that the order contains, in addition to the requirements set forth in RCW 67.70.100(2), the following provisions:

(a) The assignor's name. For an initial assignment, the winner's name as it appears on the prize claim form;

(b) The assignee's name and address;

(c) The citizenship or resident alien number of the assignee (if a natural person).

(2) The certified copy of the order must be served on the director at least ((~~twenty~~)) 20 working days prior to the annual payment date to allow for a change in the payee. The director shall not be liable for failure to pay an annual payment to an assignee if service of the order and presentation of the required information for tax withholding purposes described in subsection (3) of this section is not timely made.

Lifetime cash winners may assign nonguaranteed payments provided that the original winner has properly verified they are still eligible to receive their prize ((~~pursuant to WAC 315-36-110(5)~~)). The lottery's obligation to issue assigned payments shall terminate upon the death of the original winner.

(3) Payment shall be made payable to the name and address of the assignee designated in the judicial order and to no other name or address. Federal income tax withholding shall be deducted from each payment and reported to the Internal Revenue Service. The assignee shall provide its Social Security number, if a natural person, or tax identification number, if a legal entity, to the director at the time the judicial order is served for the purpose of reporting tax withholding to the Internal Revenue Service and for the purpose of applying the debt collection process as described in subsection (5) of this section.

(4) RCW 67.70.100 authorizes the director to charge actual costs for each assignment and deduct such costs from the initial annuity payment made to the assignee. In determining actual costs the director has considered the staff time required to determine the sufficiency of the judicial order or amended order and to process the initial payment; telegraphic and long distance telephone communications, photocopying, postage, and private delivery service; and legal services directly related to determining the sufficiency of the judicial order and processing of the initial payment, including legal services and costs associated with any legal proceeding in which the agency is represented by the office of the attorney general. The director has determined the following costs shall be deducted from the initial annuity payment made to each assignee, unless paid pursuant to subsection (e):

(a) Assignment of whole annuity payments (one or more years) resulting in payment only to the assignee during each year of the assignment: $250; or

(b) Assignment of a portion/percentage of annuity payments resulting in annual payments to one or more assignees and/or the original prize winner: $300 for the first year of the assignment, plus $75 for each year thereafter;

(c) Assignment pursuant to an amended order of assignment, resulting in annual payments to the same number of assignees as in the original order: $250;

(d) Assignment pursuant to an amended order of assignment, resulting in annual payments to one or more assignees in addition to the assignees in the original order of assignment: $300 for the first year of the amended order of assignment, plus $75 for each year thereafter;

(e) If payment of the total fees due for costs for processing an order or amended order is received by the lottery together with and at the same time as the required certified copy of the order or amended order, the fees will not be deducted from annual payments;

(f) The director shall review these costs at least biennially from December 1, 1997, and shall recommend adjustments, if necessary, for commission consideration and approval.

(5) The debt collection process mandated by RCW 67.70.255 and WAC 315-06-125 shall be applied to all payments made to any person pursuant to a voluntary assignment. ((~~The term person shall have the same meaning as the definition set forth in WAC 315-02-180.~~))

(6) The term "person" means an individual, corporation, business trust, estate, trust, partnership, association, joint venture, or other legal or commercial entity.

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

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, 51.32.240, 51.48.140, 74.04.300, 74.20A.040, 74.20A.055 and 82.32.210 or administrative orders as defined in RCW 50.24.110, 51.32.240, 51.48.150, 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.

(f) Individual - A natural person.

(2) Any creditor may submit, to the lottery, in a format specified by the director, debt information required by the *Revised Code of Washington*. Debt information medium 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 shall provide re-

placement debt information medium 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 debt information medium in the proper format 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~~)) $600, for a period not to exceed two working days, to any individual prize winner or to any other prize winner which has an individual holding a direct or indirect interest in the prize winner, and who owes 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, including email, to verify the debt. Three phone calls, excluding busy signals, shall constitute a reasonable attempt. The prize shall be paid to the prize winner 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 (9) of this section.

(5) It shall be the obligation of the prize winner to provide the lottery with the names, Social Security numbers, and percentage interests of the individuals who collectively hold one hundred percent of the interest in the prize.

(6) Where an individual holds an interest in a prize claimed by another individual, the lottery must be informed of that interest, its percentage and the Social Security number (SSN) of the nonclaimant individual who holds the interest, prior to the validation and prize payment process described herein; otherwise, the Social Security number of the claimant individual and the full net amount of the prize will be used in completing the processing required under this section.

(7) Where the right to payment to an individual who holds an interest in a prize winner is discretionary with a third party or is contingent, the tax ID number of the prize winner shall be used in completing the processing required under this section, rather than the Social Security number of said individual.

(8) 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.

(9) Prior to disbursement, any verified debts owed to a creditor by the individual winner of any lottery prize exceeding ((~~six hundred dollars~~)) $600 or by an individual holding more than a ((~~six hundred dollar~~)) $600 interest in a prize winner shall be set off against the prize owing to the individual or against the proportionate interest of the individual in the prize winner. In the event a prize winner or an individual holding more than a ((~~six hundred dollar~~)) $600 interest in a prize winner owes debts to more than one creditor, and the total prize to that winner or individual 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.

(10) No prize shall be paid to any person who claims a prize on behalf of, or at the request of, another person with the intent to avoid a debt under RCW 67.70.255 or this section.

AMENDATORY SECTION (Amending WSR 94-03-020, filed 1/7/94, effective 2/9/94)

WAC 315-06-190 Erroneous or mutilated tickets. (1) Tickets erroneously ((~~made out~~)) printed or in any way mutilated when received by a lottery retailer ((~~are to~~)) must be returned by the lottery retailer immediately to the director. Credit may be allowed for said tickets but only if the authenticity of the tickets can be reasonably determined by the director. Credit will not be allowed if said tickets were previously validated or a validation attempt was made.

(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.

AMENDATORY SECTION (Amending WSR 21-11-063, filed 5/14/21, effective 6/14/21)

WAC 315-06-220 Voluntary self-exclusion. (1) The voluntary self-exclusion program is established for the purpose of allowing persons to exclude themselves from lottery play and related activities. Each person who enrolls in the voluntary self-exclusion program acknowledges that it is their responsibility to refrain from engaging in lottery play and other related activities.

(2) Definitions. The following definitions apply throughout this section unless the context clearly requires otherwise.

(a) "Director" means the director of the Washington state lottery commission.

(b) "Excluded prize" means: (i) Any monetary, promotional, or merchandise prize valued at more than $600; and (ii) any monetary, promotional, or merchandise second chance drawing prize regardless of value.

(c) "Lottery" means the Washington state lottery commission, otherwise known as Washington's lottery.

(d) "Lottery play" means purchase, play, or redemption of lottery tickets or games.

(e) "Lottery related activities" or "related activities" include, but are not limited to: Promotions, second chance promotions or drawings, events, and participation in the lottery's loyalty program.

(f) "Merchandise prize" means a prize offered by the lottery that is a product, experience, or service other than a monetary prize. Merchandise prizes include gift cards.

(g) "Monetary prize" means a prize offered by the lottery that is payable as a check, bank transfer, or annuity.

(h) "Participant" means a person who has enrolled in the program.

(i) "Prize" means any award, financial or otherwise, awarded by the director. Prizes may include any monetary amount, merchandise item, or experience offered by the lottery.

(j) "Promotion" means a time-limited opportunity for a player to receive a prize or other benefit not typically offered by the lottery, the purpose of which is to promote a certain lottery product, activity, partnership, or event.

(k) "Second chance lottery promotion" or "second chance drawing" means a drawing or promotion wherein a player must submit a nonwinning lottery ticket in order to be eligible to win a prize.

(l) "Voluntary self-exclusion program" or "program" means the voluntary self-exclusion program authorized under RCW 67.70.040, and does not apply to any form of gambling other than the lottery.

(3) Enrollment. A person may enroll in the program in person or by mail.

(a) In person at a lottery office by:

(i) Submitting a completed application on a form provided by the lottery;

(ii) Providing proof of identity. Acceptable forms of identification are: A valid driver's license from any state; a government-issued identification card containing the person's name, photograph, signature, and date of birth; or a valid United States or Canadian passport; and

(iii) Any other documentation required by the director.

(b) Through the mail by:

(i) Submitting a completed application on a form provided by the lottery. The form must be notarized;

(ii) Providing proof of identity. Acceptable forms of identification are a copy of: A valid driver's license from any state; a government-issued identification card containing the person's name, photograph, signature, and date of birth; or a valid United States or Canadian passport; and

(iii) Any other documentation required by the director.

(4) Period of enrollment.

(a) At the time of enrollment, the participant shall select a one-, three-, or five-year period of voluntary self-exclusion.

(b) At the time of enrollment, the participant may select the effective date of participation. If no date is selected, the effective date shall be the next business day after enrollment.

(c) Once enrolled, the participant shall not change the effective date or term of enrollment, except to extend the period of enrollment pursuant to subsection (5) of this section.

(d) Once enrolled, the participant shall not exit the program prior to termination of the selected period of voluntary self-exclusion.

(5) Termination, extension, and renewal of enrollment. Upon expiration of the selected period of enrollment, the participant will be removed from the program. The participant may extend their current enrollment by submitting a new application as required in subsection (3) of this section at least ((~~thirty~~)) 30 days prior to expiration of the current enrollment period. A participant may reenroll in the program at any time following expiration of the current enrollment period by submitting a new application as required in subsection (3) of this section.

(6) Voluntary self-exclusion.

(a) During the period of enrollment, the participant acknowledges and agrees:

(i) The participant will not participate in lottery play or related activities;

(ii) The participant will not claim, redeem, or collect any excluded prize;

(iii) The participant will not create or maintain a lottery loyalty program account; and

(iv) Points or benefits accrued in the participant's existing loyalty program account, if any, will expire based on established expiry date(s) and no refund or replacement shall be provided by the lottery.

(b) Participants shall not be entitled to claim, redeem, or collect any excluded prize. In the event a participant attempts to claim, redeem, or collect an excluded prize during the period of enrollment, monetary prizes will be forfeited to the problem gambling account created in RCW 41.05.751 after payments of any debt under RCW 67.70.255. Taxes will be withheld and reported to the Internal Revenue Service for any portion of an excluded prize used to satisfy a debt. Merchandise prizes will be retained by the lottery.

(c) The lottery will take all reasonable steps to remove the participant from existing promotional mailing lists, electronic distribution lists, or other promotional listings.

(d) The program is intended to assist participants in controlling their gambling habits and promote responsible gambling. The lottery, its licensees, retailers, vendors, agents, contractors, and employees are not liable for damages in any civil action by any person based on:

(i) Compliance or noncompliance with this chapter;

(ii) An action or failure to act under this chapter;

(iii) Failure to withhold lottery privileges from an individual;

(iv) Permitting a participant to engage in lottery play or related activities; or

(v) Payment of a winning lottery prize to a participant.

(e) Information submitted by a participant related to the program is exempt from public inspection and copying pursuant to RCW 42.56.230. De-identified information may be released for statistical or research purposes. For purposes of this section, "de-identified" means captured personal information that cannot reasonably identify, relate to, describe, be capable of being associated with, or be linked, directly or indirectly, to a particular individual.

RDS-6653.1

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-08-010 Expenditure and transfer limits—State lottery account. (1) At the outset of ((~~fiscal year 1991, and at the outset of~~)) each biennium ((~~after fiscal year 1991~~)), the commission shall determine by resolution the following:

(a) The total amount of moneys which may be transferred from the state lottery account to the state's general fund and to the lottery administrative account, pursuant to legislative appropriation; and

(b) The total amount of moneys which may be expended from the state lottery account for each of the following purposes:

(i) Payment of retailer compensation;

(ii) Payment of prizes (which shall not be less than ((~~forty-five~~)) 45 percent of gross annual revenue of the lottery);

(iii) Online vendor payments;

(iv) Online telecommunications payments;

(v) Instant game vendor payments;

(vi) Promotion/advertising; and

(vii) Any other purposes required by law.

(2) The commission may amend by resolution the amounts determined under this section based on changes in the revenue stream and/or program requirements.

(3) The director may exceed approved totals when necessary for sales volume-related expenses provided that such expenditures are reported in the next regularly scheduled financial report to the commission.

AMENDATORY SECTION (Amending WSR 90-11-040, filed 5/10/90, effective 6/10/90)

WAC 315-08-030 State lottery account—Director's responsibilities. The director may transfer and expend moneys as ((~~he/she~~)) the director deems appropriate within the totals determined pursuant to WAC 315-08-010 and shall perform all functions necessary for the administration and operation of the state lottery account.

RDS-6654.1

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-10-010 Instant games—Authorized—Director's authority. The director shall:

(1) Select, operate, and contract relating to and for the operation of instant games meeting the criteria set forth in this chapter.

(2) Establish final instant game specifications, including the determination of winning tickets, in executed working papers or software requirement specifications((~~,~~)) and keep the portions of these documents that are subject to public disclosure available for ((~~one hundred eighty~~)) 180 days after the end of each game for public review during normal business hours.

(3) Inform commission members of instant game development.

AMENDATORY SECTION (Amending WSR 12-24-009, filed 11/27/12, effective 12/28/12)

WAC 315-10-020 Definitions. (1) Ticket. The ticket purchased for participation in an instant game and any ticket used in media promotions and retailer incentive programs authorized by the director for an instant game.

(2) Instant game. A game in which a ticket is purchased and the ticket bearer determines ((~~his or her~~)) the 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 on the front and or the back of the ticket. Play symbols

were formerly called play numbers. Both terms shall have the same meaning.

(5) Your(s). The ticket bearer's play area or areas (for example, "your hand(s)," "your card(s)," or "your roll(s)").

(6) Their(s). The opponent's play area or areas (for example, "their card(s)," or "their roll(s)").

(7) Validation number. The multidigit number found on the ticket and on any ticket stub. There must be a validation number on the ticket or any stub.

(8) Working papers or software requirement specifications. The documents providing production and winning ticket specifications for each instant ticket game.

(9) Scratch game. An instant game in which a ticket is purchased and, upon removal of a scratch-off coating on the front and or the back of the ticket, the ticket bearer determines his or her winning, if any.

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-10-022 Essential elements of instant game tickets. The director shall establish in executed working papers or software requirement specifications for each instant game the specific form and location in which the following essential elements shall appear on each instant game ticket:

(1) **Play field** is generally the area that may contain play symbols, play symbol captions, prize symbols, prize symbol captions, and validation numbers;

(2) **Play spots** are the specific areas where play symbols are located;

(3) **Play symbols** are symbols, letters, or numbers appearing in each play spot of a ticket;

(4) **Play symbol captions** are small printed characters generally associated with each play symbol which may appear on the play field and correspond with and verify that play symbol. These captions spell out, in full or abbreviated form, the play symbol. There is only one play symbol caption for each play symbol, and each play symbol caption is associated with the three-digit ticket number;

(5) **Prize symbols** may be numeric or symbolic representations, printed either in a display printed prize legend or on the play field, which indicate the amount of money a player may win;

(6) **Prize symbol captions** may be small printed characters generally associated with each prize symbol appearing on the play field which correspond to and verify that prize symbol. The prize symbol caption is a spelling out, in full or abbreviated form, of the prize symbol;

(7) **Validation number** is a unique multidigit number on the ticket;

(8) **Pack-ticket number** is a number that may include the game, pack and ticket identifier;

(9) **Retailer verification code** is the code on the ticket that the lottery retailer uses to verify instant winners; and

(10) **Odds of winning** <u>any prize</u> shall always appear on the back of the ticket.

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-10-024 Methods of selecting winning tickets. (1) Methods for selecting winning tickets may be as set forth on the instant game ticket and in the executed working papers or software requirement specifications. Methods for selecting winning tickets may include:

(a) Higher number. Your (the player's) number is greater than their (the opponent's) number.

(b) Match one or more. Match your play symbols to the winning play symbol(s).

(c) Bonus play. Find a bonus symbol to win a bonus prize instantly.

(d) Match two or more consecutive. Match two or more consecutive "Game Cards" within a game to the "Draw Cards" to win the corresponding amount shown on the ticket.

(e) Match two or more. Match two or more "Game Cards" within a game to the "Draw Cards" to win the corresponding amount shown on the legend on the ticket.

(f) Three like cards. Get three like cards with one hand to win the corresponding amount shown on the ticket.

(g) Grand prize drawing. Find a bonus symbol that qualifies you to enter a grand prize drawing or submit one or more nonwinning tickets to enter a grand prize drawing.

(h) Match symbols. Match a specified number of identical play symbols on a play area.

(i) Add up "yours." Add up the play symbols designated as "yours" and the total is greater than, less than or equal to the symbol or symbols designated as "theirs."

(j) Add up. Add up the play symbols and the amount is greater than or equal to the designated symbols on the ticket.

(k) Tic tac toe. Match three identical play symbols, in a row, column, or diagonal, on a grid in the play area.

(l) Sequence. Find the designated play symbols in the specified sequential order.

(m) Spellout. Find the play symbols to form the designated word or words.

(n) In between. Find the play symbol or symbols designated as "yours" with a value less than the play symbol or symbols designated as "their high value" and greater than the play symbol or symbols designated as "their low value."

(2) Each of the methods described in subsection (1) of this section may include a special variant such as "automatic win feature," "doubler," "wild card," or "free space" that provides added or alternative methods of winning.

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-10-035 Winning an instant game ticket. (1) Each instant ticket shall be printed with instructions clearly indicating what constitutes a winning ticket. In addition, written descriptions of winning play and prize symbol combinations shall be included in the executed working papers or software requirement specifications for the production of each game. The ticket bearer must 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 or any other means as specified in WAC 315-10-070 or by the director.

(2) The status of a winning or nonwinning ticket is determined as indicated in the executed working papers or software requirement specifications. No action or inaction of a player when scratching the ticket influences whether the ticket is a winner or nonwinner.

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-10-055 Redemption time. (1) A player may submit a winning ticket for prize payment up to ((~~one hundred eighty~~)) 180 days after the official end of game or ((~~one hundred eighty~~)) 180 days from date of purchase of a computer generated ticket.

(2) In order to participate in a grand prize drawing in which the entry is the submittal of one or more winning or nonwinning tickets, a player must redeem and submit such a ticket or tickets or ticket information within the time limits set forth in chapter 315-06 WAC governing the conduct of that specific game or within the time limits set forth by the director in the game rules or instructions.

AMENDATORY SECTION (Amending WSR 05-11-049, filed 5/13/05, effective 6/13/05)

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 sold or transferred in an unauthorized manner.

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

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

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

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

((~~(f)~~)) (g) If play symbol and play symbol captions are present in the playfield, the ticket must have at least one play symbol and at least one play symbol caption under each play spot. Play symbols must be present in their entirety, legible, right-side up, and not reversed in any manner.

((~~(g)~~)) (h) The ticket must have at least one pack-ticket number or serial number, exactly one retailer verification code, and exactly one validation number. These elements must be present in their entirety, legible, and not reversed in any manner.

((~~(h)~~)) (i) 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.

((~~(i)~~)) (j) The ticket must pass all additional confidential validation requirements, if any, 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, that 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, that the ticket shall not be validated nor the prize paid prior to one hundred eighty days 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.

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-10-075 Claiming an instant game prize. Procedures for claiming instant game prizes are as follows:

(1) To claim an instant game prize of $600((~~.00~~)) or less the claimant may either present the apparent winning ticket to any lottery retailer regardless of where the ticket was purchased, or may present the apparent winning ticket to the lottery by mail or in person, or as otherwise authorized by the director. When a retailer is presented with a claim under this section, the retailer shall verify the claim and, if acceptable, make payment of the amount due the claimant. The prizes shall be paid during all normal business hours of that retailer provided that claims can be validated on the lottery's terminal. A retailer may pay prizes in cash or by business check, certified check, money order, or other payment method authorized by the director and acceptable to the claimant. The retailer shall not charge the claimant any fee for payment of the prize or for cashing a business check drawn on the retailer's account.

(2) In the event the retailer cannot verify the claim, the claimant shall present a claim to the lottery by mail ((~~or~~)), in person, or as otherwise authorized by the director. If the claim is validated by the lottery, funds 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.

(3) To claim an instant prize of more than $600((~~.00~~)), the claimant shall complete a claim form, as provided in WAC 315-06-120, which is obtained from the lottery retailer or the lottery and mail or present in person, or as otherwise authorized by the director, the completed form together with the apparent winning ticket to the lottery. Upon validation by the director, funds shall be forwarded or presented to the claimant in payment of the amount due, less any applicable federal income tax withholding and deductions pursuant to RCW 67.70.255 and WAC 315-06-125. In the event that the claim is not validated by the director, the claim shall be denied and the claimant shall be promptly notified.

(4) 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~~)) 180 days after the official end of that instant game or ((~~one hundred eighty~~)) 180 days from purchase of a computer generated ticket. If the director authorizes reconstruction, the ticket shall not be validated nor the prize paid prior to ((~~one hundred eighty~~)) 180 days following the official end of that instant game or ((~~one hundred eighty~~)) 180 days from purchase of a computer generated ticket. 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.

(5) 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~~)) the director's 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).

REPEALER

The following section of the Washington Administrative Code is repealed:

WAC 315-10-065	Return of instant game tickets by state liquor control board outlets.

RDS-6655.1

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

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 42.56.040 - 42.56.550, dealing with public records~~)) the Public Records Act, chapter 42.56 RCW.

AMENDATORY SECTION (Amending WSR 10-16-025, filed 7/23/10, effective 8/23/10)

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 814 - 4th Avenue, Olympia, WA 98506. Regional offices of the director located in other cities are as follows:

CITY	SERVICES
EVERETT REGION 11419 19th Avenue S.E. Suite A106 Everett, WA 98208	(a) Sales Representative (b) Payout Center (c) Ticket Sales
OLYMPIA ((~~REGION~~)) HEADQUARTERS 814 - 4th Avenue Olympia, WA 98506	(a) Sales Representative (b) Payout Center (c) Ticket Warehousing (d) Ticket Sales
FEDERAL WAY REGION 33701 9th Avenue S Federal Way, WA 98003-6762	(a) Sales Representative (b) Payout Center (c) Ticket Sales
SPOKANE REGION ((~~East 10517 Sprague Avenue~~)) NorthTown Mall 4750 N. Division St. Ste. 1009 Spokane, WA 99206-3631	(a) Sales Representative (b) Payout Center (c) Ticket Sales
VANCOUVER REGION ((~~El Camino Fountain Shopping Mall Suite 4~~)) 1503 N.E. 78th Street Vancouver, WA 98665	(a) Sales Representative (b) Payout Center (c) Ticket Sales
((~~YAKIMA~~)) TRI-CITIES REGION ((~~9 South 5th Yakima, WA 98901~~)) 8551 W. Gage Blvd. Ste. K Kennewick, WA 99336	(a) Sales Representative (b) Payout Center (c) Ticket Sales

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

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-12-050 Public records available. All public records of the lottery, its commission and director are available for public inspection and copying pursuant to these rules, except as otherwise provided by RCW 42.56.070, 42.56.210, 42.56.540, ((~~WAC 315-12-100,~~)) and other applicable laws.

AMENDATORY SECTION (Amending WSR 08-11-043, filed 5/14/08, effective 6/14/08)

WAC 315-12-060 Public records officers. The ((~~lottery, its commission and director~~)) lottery'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 42.56.070 and WAC 315-12-140((~~,~~)); and generally ensuring compliance by the staff with the public records disclosure requirements of chapter 42.56 RCW.

NEW SECTION

WAC 315-12-085 Player information (1) All personal and financial information concerning a player that is received or maintained by the lottery or any contracted lottery vendor except the player's name and city or town of residence is exempt from public inspection and copying. Additional information may be released only in accordance with prior written permission from the player.

(2) Requests for lists of individuals will be denied if the request is or appears to be made for commercial purposes.

AMENDATORY SECTION (Amending WSR 97-07-063, filed 3/19/97, effective 4/19/97)

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

(2) The director will charge a fee of ((~~fifteen~~)) 15 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~~)) public records officer is authorized to waive any of the foregoing copying costs or other costs related to public records.

AMENDATORY SECTION (Amending WSR 83-13-080, 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~~)) the director's designee to review the denial in accordance with WAC 315-12-120.

AMENDATORY SECTION (Amending WSR 83-13-080, 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 written decision of the director or the director's designee shall constitute final agency action for purposes of judicial review.

AMENDATORY SECTION (Amending WSR 83-13-080, 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~~)) their 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.

AMENDATORY SECTION (Amending WSR 91-03-036, filed 1/9/91, effective 2/9/91)

WAC 315-12-145 Records index. (1) The agency has established and implemented a system of indexing for the identification and location of the following records:

(a) All records issued before July 1, 1990, for which the agency has maintained an index;

(b) Final adjudicative orders and declaratory orders issued after June 30, 1990, that contain an analysis or decision of substantial importance to the agency in carrying out its duties;

(c) Interpretive and policy statements that were entered after June 30, 1990.

(2) Final and declaratory orders shall be evaluated by the director or director's designee and those orders which have substantial importance shall be selected for inclusion in the index.

(3) Selected orders shall be indexed by a phrase describing the issue or holding and by a citation to the law involved. Interpretive and policy statements shall be indexed by subject matter, topic, calendar year or a combination of these, as appropriate.

(4) The index is available for public access during business hours at the agency's ((~~management services division~~)) administrative office, 814 - 4th Avenue, Olympia, Washington 98504.

(5) The indexes shall be kept current and updated annually.

AMENDATORY SECTION (Amending WSR 10-16-025, filed 7/23/10, effective 8/23/10)

WAC 315-12-150 Communications. All written communications with the commission or director pertaining to the administration or enforcement of chapter 42.56 RCW and these rules shall be addressed as follows: Washington State Lottery, P.O. Box 43026, Olympia, WA 98504-3026, Attn: Public Records Officer. ((~~You may contact us through our~~)) Communication may also be made through the lottery's website at www.walottery.com.

RDS-6656.1

AMENDATORY SECTION (Amending WSR 83-13-081, 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~~)), or the director's designated administrative law judge or presiding officer, 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~~)) their own behalf, pro se.

AMENDATORY SECTION (Amending WSR 83-13-081, 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), com-

missioners, 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~~)) the director's designated administrative law judge or presiding officer, or the commission unless:

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

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

AMENDATORY SECTION (Amending WSR 86-01-060, filed 12/16/85)

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~~)) that has been timely requested. If the lottery retailer so elects to waive formal hearing, ((~~he or she~~)) the retailer may then state in writing any matter in explanation or mitigation of the violations ((~~which he or she~~)) that the retailer desires the director to consider in making ((~~his or her~~)) a decision. At the time the lottery retailer ((~~at the time he or she~~)) submits the waiver, the retailer may also request to be present when the director meets to consider ((~~his or her~~)) a decision in the matter. In the event the lottery retailer elects to waive formal hearing ((~~he or she~~)), the retailer shall thereafter be bound by such election and may not thereafter request formal hearing.

AMENDATORY SECTION (Amending WSR 93-15-019, filed 7/9/93, effective 8/9/93)

WAC 315-20-075 Adjudicative proceedings—Subpoenas—Discovery. (1) The designated administrative law judge or presiding officer may issue subpoenas to persons to appear and give testimony and may require the production of any books, papers, correspondence, memorandums, or other records deemed relevant or material and ((~~the presiding officer~~)) may issue protective orders all as a part of an adjudicative proceeding. The agency or its legal representative may issue subpoenas as may the attorney of the party against whom action is taken. All subpoenas must be filed with the designated administrative law judge or presiding officer, together with proof of proper service, at least five days prior to the date of the hearing for which they are issued. Such subpoenas will issue and may be enforced in the form and manner set forth in RCW 34.05.446 and WAC 10-08-120.

(2) The designated administrative law judge or presiding officer, upon motion or before the time specified in the subpoena for compliance therewith, may:

(a) Quash or modify the subpoena if it is unreasonable and oppressive; or

(b) Condition denial of the motion upon the advancement by the person in whose behalf the subpoena is issued of the reasonable cost of producing the books, papers, documents, or tangible things.

(3) The attendance of witnesses and such production of evidence may be required from any place within the state of Washington to any location where a hearing is being conducted.

AMENDATORY SECTION (Amending WSR 93-15-019, filed 7/9/93, effective 8/9/93)

WAC 315-20-085 Adjudicative proceedings—Depositions and interrogatories—Right to take. Unless otherwise provided, any party may take the testimony of any person, including a party, by deposition upon oral examination or written interrogatories for use as evidence in the proceeding. The deposition of a commissioner, the director, or the deputy director, may be taken only upon application to the designated administrative law judge or presiding officer, for good cause shown and only in those circumstances where the statements or depositions of other staff members would not reveal the information, evidence, or details needed by the party for the case. The attendance of witnesses to a deposition may be compelled by use of subpoena. Depositions shall be taken only in accordance with this rule and the rules on subpoenas.

AMENDATORY SECTION (Amending WSR 93-15-019, filed 7/9/93, effective 8/9/93)

WAC 315-20-105 Depositions and interrogatories in adjudicative proceedings—Protection of parties and deponents. (1) After notice is served for taking a deposition, upon motion reasonably made by any party or by the person to be examined and upon notice and for good cause shown, the designated administrative law judge or presiding officer may make an order that the deposition shall not be taken, or that it may be taken only at some designated place other than that stated in the notice, or that it may be taken only on written interrogatories, or that certain matters shall not be inquired into, or that the scope of the examination shall be limited to certain matters, or that the examination shall be held with no one present except the parties to the action and their officers or counsel, or that the designated administrative law judge or presiding officer may make any other order which justice requires to protect the party or witness from annoyance, embarrassment, or oppression.

(2) At any time during the taking of the deposition, on motion of any party or the deponent and upon a showing that the examination is being conducted in bad faith or in such manner as unreasonably to annoy, embarrass, or oppress the deponent or party, the ((~~hearing~~)) designated administrative law judge or presiding officer may order the party conducting the examination to cease forthwith from taking the deposition as above provided.

(3) If the order made terminates the examination, it shall be resumed only upon the order of the designated administrative law judge or presiding officer. Upon demand of the objecting party or deponent, the taking of the deposition shall be suspended for the time necessary to make a motion for an order.

AMENDATORY SECTION (Amending WSR 93-15-019, filed 7/9/93, effective 8/9/93)

WAC 315-20-115 Production of documents and use at an adjudicative proceeding. (1) Upon request by any party to the adjudicative proceeding, copies of all materials to be presented at the adjudicative proceeding shall be provided to the requester within seven days of the request but, for good cause shown, not less than three business days prior to the date of the hearing.

(2) When exhibits of a documentary character are to be offered into evidence at the hearing, the party offering the exhibit shall provide a minimum of two copies, one for the designated administrative law judge or opposing party and one for the presiding officer.

(3) If documentary evidence has not been exchanged prior to the hearing, the parties shall arrive at the hearing location in sufficient time before the time scheduled for the hearing for the purpose of exchanging copies of exhibits to be introduced.

RDS-6657.1

AMENDATORY SECTION (Amending WSR 13-24-071, filed 11/27/13, effective 12/28/13)

WAC 315-30-010 Draw games—Authorized—Director's authority. The commission hereby authorizes the director to operate draw games ((~~which~~)) that meet the criteria set forth in this chapter. New draw games shall not be made available for sale without approval of the commission.

(1) The director may contract for the development and operation of draw games, and may operate said games subject to the approval of the commission.

(2) Before approving the final draw game specifications, the director shall provide the commission with a description of the proposal, and obtain approval of the proposed game concept by the commission.

(3) The director shall establish and approve the final draw game specifications, as executed in working papers or software requirement specifications, including the determination of winning tickets, after presentation and approval of any new draw game proposal to the commission for a vote of the commission.

(4) All draw game procedures and play criteria shall be made available to the public on the agency internet website and upon request.

(5) Mega Millions draw game shall be conducted consistent with chapter 67.70 RCW and Title 315 WAC and pursuant to the requirements of the multistate agreement, Mega Millions official game rules, Mega Millions finance and operations procedures, and Mega Millions line drawing procedures in effect at the time of this rule amendment, all of which are incorporated by this rule. A copy of the multistate agreement, Mega Millions official game rules, Mega Millions finance and operations procedures, and Mega Millions line drawing procedures

can be obtained from the Lottery Commission, P.O. Box 43000, Olympia, WA 98504-3000.

AMENDATORY SECTION (Amending WSR 07-11-037, filed 5/8/07, effective 6/8/07)

WAC 315-30-020 Definitions. (1) Draw game. A lottery game in which a player pays a fee to a lottery retailer or directly to the lottery 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; or pays for a ticket with predetermined numbers, symbols or characters selected by the lottery terminal; or pays for a raffle ticket. The lottery will conduct a drawing to determine the winning ticket or the winning combination(s) in accordance with the specific draw game procedures and play criteria. Each ticket bearer whose valid ticket includes a winning combination, or is the winning ticket, shall be entitled to a prize if claim is submitted within the specified time period. Draw games may also be referred to as "online" games.

(2) Draw game retailer. A lottery retailer authorized by the lottery to sell draw game tickets. All draw game retailers may also sell other lottery game tickets offered by the lottery and approved by the commission.

(3) Draw game ticket. A computer-generated ticket issued by a lottery retailer to a player as a receipt for the combination(s) a player has selected, or as a receipt of the predetermined numbers, symbols or characters selected by the lottery terminal, or a raffle ticket. That ticket shall be the only acceptable evidence of the combination(s) of digits, numbers, or symbols selected. Draw game tickets may be purchased only from a lottery retailer authorized to sell draw game tickets or directly from the lottery. Internet sales and lottery courier services are not authorized in Washington state.

(4) Lottery terminal. The computer hardware through which tickets are generated and 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; or the random selection of a winning ticket occurred.

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

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

(9) Validation number. A unique number printed on each ticket, which is used to determine whether the ticket is a winning ticket.

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

(11) Raffle. A draw game variation in which the player receives a computer generated ticket with the numbers, symbols, or characters predetermined on it. The lottery will conduct a drawing to determine the winning combination(s) in accordance with the specific raffle game

procedures and criteria. All raffle draw game tickets issued during a specific raffle draw game shall be entered into the drawing for that game. Each ticket bearer whose valid raffle draw game ticket includes a winning combination shall be entitled to a prize if the claim is submitted within the specified time period.

AMENDATORY SECTION (Amending WSR 07-11-037, filed 5/8/07, effective 6/8/07)

WAC 315-30-030 Draw games criteria. (1) The base price of a play shall not be less than $.50 and not more than $20.00.

(2) On the average the total of all prizes available to be won in a draw game shall not be less than ((~~forty-five~~)) 45 percent of the game's projected revenue.

(3) The manner and frequency of drawings may vary with the type of game, except that no draw game shall have a drawing more than once in a ((~~twenty-four~~)) 24 hour period.

(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 a lottery retailer through use of the validation number and any other means as specified by the director.

(6) Procedures for claiming prizes are as follows:

(a) To claim a game prize of $600.00 or less, the claimant shall present the winning ticket to any lottery retailer authorized to sell draw game tickets or to the lottery.

(i) If the ticket is presented to a lottery retailer authorized to sell draw game tickets, the retailer shall validate the ticket and, if determined to be a winning ticket, may make payment of the amount due the claimant. If the retailer cannot validate the ticket, the claimant may submit the disputed ticket to the lottery by mail or in person. Upon determination that the ticket is a winning ticket, the lottery shall pay the prize. If the ticket is determined to be a nonwinning ticket, the claim shall be denied and the claimant shall be promptly notified in the most timely and efficient method available as determined by the director.

(ii) If the ticket is presented to the lottery, the claimant shall submit the ticket to the lottery by mail or in person. Upon determination that the ticket is a winning ticket, the lottery shall pay the prize. If the ticket is determined to be a nonwinning ticket, the claim shall be denied and the claimant shall be promptly notified in the most timely and efficient method available as determined by the director.

(b) To claim a prize of more than $600.00, the claimant shall obtain and complete a claim form or otherwise provide necessary information, as provided in WAC 315-06-120, and submit it with the ticket to the lottery by mail or in person. Upon determination that the ticket is a winning ticket, the lottery shall pay the prize. Prizes greater than $600.00 are subject to federal income tax withholding requirements according to the Internal Revenue Service publications for state lotteries. If the ticket is determined to be a nonwinning ticket, the claim shall be denied and the claimant shall be promptly notified in

the most timely and efficient method available as determined by the director.

(c) The lottery is not responsible for tickets or claims lost or delayed in the mail.

AMENDATORY SECTION (Amending WSR 07-11-037, filed 5/8/07, effective 6/8/07)

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 drawing script shall contain the statement, "Digits/numbers/symbols drawn are not official until validated."

(2) The director shall announce for each type of game the time for the end of sales prior to the drawings. Lottery terminals will not process orders for 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 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~~)) ensure 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) The director shall establish procedures governing the conduct of drawings for each type of 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.

(6) In the event a deviation occurs, the drawing will be completed under lottery supervision. If the drawing was to be broadcast, 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.

(7) If during any live-broadcasted 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.

(8) 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.

AMENDATORY SECTION (Amending WSR 07-11-037, filed 5/8/07, effective 6/8/07)

WAC 315-30-050 Validation requirements. (1) To be a valid winning ((~~online~~)) draw game 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 ((~~online retailer~~)) lottery retailer or the lottery in an authorized manner.

(f) The ticket must not have been stolen.

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

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

(i) The ticket must not have been purchased or obtained over the internet or from a lottery courier service.

(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~~)) that 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 canceled 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 ticket with a 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 ticket can still be validated by the other validation requirements.

(4) In the event a ticket is issued in error or a defective ticket is purchased, the only responsibility or liability of the lottery, its vendors, or the lottery retailer shall be the replacement of the erroneous or defective ticket with another ticket for a future drawing of the same game.

AMENDATORY SECTION (Amending WSR 07-11-037, filed 5/8/07, effective 6/8/07)

WAC 315-30-060 Payment of prizes by lottery retailers. (1) A lottery retailer authorized to sell draw games may pay to the ticket bearer prizes of $600.00 or less for any validated claims presented to that lottery retailer regardless of where the ticket was purchased. These prizes may be paid during all normal business hours of that lottery retailer, provided, the draw game system is operational and claims can be validated. The lottery 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) A lottery retailer may pay prizes in cash or by business check, certified check, ((~~or~~)) money order, or other method authorized

by the director. A lottery retailer that pays a prize with a check ((~~which~~)) that is dishonored may be subject to suspension or revocation of its license, pursuant to WAC 315-04-200.

AMENDATORY SECTION (Amending WSR 07-11-037, filed 5/8/07, effective 6/8/07)

WAC 315-30-075 Lottery retailer ((~~agreement~~)) contract. Each lottery retailer shall enter into ((~~an agreement~~)) a contract with the lottery containing such terms and conditions as the director may require ((~~pursuant to WAC 315-30-080~~)). Failure to enter into such ((~~an agreement~~)) a contract may result in denial of a lottery terminal((~~,~~)), immediate discontinuance of a lottery terminal operation, or removal of a lottery terminal from ((~~an online~~)) the location.

AMENDATORY SECTION (Amending WSR 07-11-037, filed 5/8/07, effective 6/8/07)

WAC 315-30-080 Retailer selection criteria. (1) The selection and distribution of draw game 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) Only a person who possesses a valid provisional or general license may be authorized by the director to sell draw game tickets.

(3) In addition, the director may consider the following factors in the selection of lottery retailers authorized to sell draw games.

(a) Business and security considerations ((~~which~~)) that 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 315-04-095((~~,~~));

(vi) Licensing requirements((~~,~~)); and

(vii) History of administrative or regulatory actions.

(b) Marketing considerations ((~~which~~)) that 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 lottery terminals to be installed throughout the state and shall establish procedures for draw game site selection. In determining the order in which ((~~TDMs~~)) terminals will be installed within a given geographic area, ((~~an online~~)) a 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 lottery terminal location;
(d) Products sold;
(e) Services available;
(f) Store's hours;
(g) Estimated draw game sales;
(h) Instant sales per week;
(i) Nearest four draw game lottery retailer sales per week;
(j) District sales representative's assessment; and
(k) Regional sales manager's assessment.

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

(a) Sales volume not increasing at statewide 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 draw game retailer locations; and
(e) Failure to generate sufficient sales volume to cover the lottery's administrative costs.

(6) The director may immediately discontinue a lottery retailer operation, order removal of a lottery terminal from a draw game lottery retailer location, or take any other action authorized under WAC 315-04-200 in the event that the lottery retailer authorized to sell draw game tickets:

(a) Fails to comply with chapter 67.70 RCW, any rule established by the commission, the contract signed by the retailer, or any instruction issued by the director;
(b) Tampers with or attempts to tamper with the lottery terminal;
(c) Fails to make payment of a prize without valid justification, as determined by the director;
(d) Makes payment with a business check and the check is dishonored for any reason; or
(e) Fails to enter into or abide by the ((~~uniform agreement~~)) contract with the lottery as required in WAC 315-30-075.

RDS-6658.1

AMENDATORY SECTION (Amending WSR 20-11-017, filed 5/12/20, effective 6/12/20)

WAC 315-31-020 Price of Pick 3 online ticket. The base price of a Pick 3 ((~~online~~)) draw ticket shall be $.50 or $1.00((~~, except six-way straight box and three-way straight box tickets, which cost $1.00 each~~)).

AMENDATORY SECTION (Amending WSR 20-11-017, filed 5/12/20, effective 6/12/20)

WAC 315-31-030 Types of play for Pick 3. (1) The following play options may be selected by the player for Pick 3:

(a) 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.

(b) ((~~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.

(c) 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.

(d) 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."

(e) 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."

(f) ((~~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:

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

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

(g) 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:

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

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

(h) ((~~Super six-way box~~)) Superbox. 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 online 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~~)) superbox play, the player will win one straight play if the winning digits are "123," "132," "213," "231," "312," or "321."

(i) ((~~Super three-way box~~)) 3-way superbox. 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 online 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~~)) 3-way superbox play, the player will win one straight play if the winning digits are "122," "212," or "221."

(2) Method of play: The player may use play slips to make number selections. The ((~~TDM~~)) terminal will read the play slip and issue ticket(s) with corresponding plays. If a play slip is not available, the online 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."

AMENDATORY SECTION (Amending WSR 20-11-017, filed 5/12/20, effective 6/12/20)

WAC 315-31-040 Prizes for Pick 3. (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~~)) Straight/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~~)) superbox 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~~)) 3-way superbox plays are:

(a)	Base price $.50, cost $1.50	$ 250.00
(b)	Base price $1.00, cost $3.00	$ 500.00

AMENDATORY SECTION (Amending WSR 20-11-017, filed 5/12/20, effective 6/12/20)

WAC 315-31-050 Ticket purchases. (1) Pick 3 tickets may be purchased or redeemed no less than ((~~seventeen~~)) 17 hours each day in accordance with a schedule to be determined by the director, provided ((~~online~~)) lottery retailers shall only sell and redeem tickets during their normal business hours.

(2) Pick 3 tickets may be purchased only from a lottery retailer authorized by the director to sell ((~~online~~)) draw tickets or directly from the lottery. Internet sales and lottery courier services are not authorized in Washington state.

(3) Each Pick 3 ticket shall contain the player's selection of digits, amount, type of play, and drawing date.

RDS-6659.1

AMENDATORY SECTION (Amending WSR 05-12-005, filed 5/18/05, effective 6/18/05)

WAC 315-34-010 Definitions for Lotto. (1) Number: Any play integer from 1 through 49 inclusive.

(2) Game grids: A field of 49 numbers found on the play slip.

(3) Play: One selection of six numbers.

(4) Set: Two plays.

(5) Play slip: A mark-sensitive game card used by players of Lotto to select plays.

(6) Lotto ticket: A computer-generated receipt evidencing payment for two or more plays in the Lotto game. Tickets shall be issued by a licensed lottery retailer or directly from the lottery and shall list the set of six-number plays that belong to the ticket holder.

AMENDATORY SECTION (Amending WSR 05-12-005, filed 5/18/05, effective 6/18/05)

WAC 315-34-050 Ticket purchases. (1) Lotto tickets may be purchased daily in accordance with a schedule to be determined by the director. Licensed lottery retailers shall sell and redeem tickets only during their normal business hours. Lotto tickets may be purchased only from a licensed lottery retailer or directly from the lottery. Internet sales and lottery courier services are not authorized in Washington state.

(2) Lotto tickets shall, on the front of the ticket, contain the player's selection of numbers, amount, game grids played, drawing date, ticket serial number and reference numbers. The back of the ticket shall contain overall odds of winning, player instructions, player information and signature area, governing statutes and rules, and the ticket stock number.

AMENDATORY SECTION (Amending WSR 18-17-086, filed 8/14/18, effective 9/14/18)

WAC 315-34-057 Lotto prize claim and payment methods. The following sets forth requirements for claims and payment of Lotto prizes:

(1) Claims for prize payment shall be made in accordance with chapters 315-30 and 315-06 WAC.

(2) Prize payments shall be made as follows:

(a) **Cash option:** When a player claims a jackpot prize or a share of a jackpot prize, the player may elect to be paid a one-time single cash payment of ((~~fifty~~)) 50 percent of ((~~his or her~~)) the player's share of the announced jackpot, provided:

(i) The player must elect this cash option within ((~~sixty~~)) 60 days of the presentation of ((~~his or her~~)) the winning ticket, by following the procedure required by the lottery;

(ii) If the federal tax code is interpreted by federal authorities to require that this cash option be exercised within ((~~sixty~~)) 60 days of the drawing for the prize, then (a)(i) of this subsection will not apply and instead, the player must elect this cash option within ((~~sixty~~)) 60 days of the date of the drawing for the prize;

(iii) The player's choice of payment method as designated by signing the appropriate lottery form is final and may not be changed by the player at a later date.

(b) **Annuity:** A player who chooses not to elect the cash option or who does not elect the cash option within the ((~~sixty~~)) 60-day limit will be paid ((~~his or her prize~~)) in ((~~twenty-five~~)) 25 annual installment payments.

(3) After the player has made ((~~his or her~~)) their choice of payment method, the lottery will validate the claim, including a debt check pursuant to WAC 315-06-125, and pay the prize as appropriate.

RDS-6660.1

AMENDATORY SECTION (Amending WSR 92-19-057, filed 9/11/92, effective 11/8/92)

WAC 315-35-040 Prizes for Daily Keno. (1) The prize amounts to be paid to each Daily Keno player who selects a winning combination of numbers shall be as follows:

MARK 10 SPOTS:

NUMBER MATCHES	ODDS 1:	PRIZE
10	8,911,711.1	$100,000
9	163,381.3	$5,000
8	7,384.4	$500
7	620.6	$50
6	87.1	$5
5	19.4	$2
4	6.7	$0
3	3.7	$0
2	3.3	$0

MARK 10 SPOTS:

NUMBER MATCHES	ODDS 1:	PRIZE
1	5.5	$0
0	21.8	$3
	9.0	

MARK 9 SPOTS:

NUMBER MATCHES	ODDS 1:	PRIZE
9	1,380,687.6	$25,000
8	30,681.9	$2,500
7	1,690.1	$100
6	174.8	$10
5	30.6	$5
4	8.7	$1
3	4.0	$0
2	3.1	$0
1	4.5	$0
0	15.6	$0
	6.5	

MARK 8 SPOTS:

NUMBER MATCHES	ODDS 1:	PRIZE
8	230,114.6	$10,000
7	6,232.2	$500
6	422.5	$50
5	54.6	$5
4	12.2	$2
3	4.6	$0
2	3.0	$0
1	3.7	$0
0	11.3	$0
	9.7	

MARK 7 SPOTS:

NUMBER MATCHES	ODDS 1:	PRIZE
7	40,979.3	$2,500
6	1,365.9	$100
5	115.7	$10
4	19.1	$2
3	5.7	$1
2	3.0	$0
1	3.1	$0
0	8.2	$0
	4.2	

MARK 6 SPOTS:

NUMBER MATCHES	ODDS 1:	PRIZE
6	7,752.8	$1,000
5	323.0	$40
4	35.0	$4
3	7.7	$1

MARK 6 SPOTS:

NUMBER MATCHES	ODDS 1:	PRIZE
2	3.2	$0
1	2.7	$0
0	6.0	$0
	6.1	

MARK 5 SPOTS:

NUMBER MATCHES	ODDS 1:	PRIZE
5	1,550.5	$200
4	82.6	$17
3	11.9	$2
2	3.6	$0
1	2.4	$0
0	4.4	$0
	10.3	

MARK 4 SPOTS:

NUMBER MATCHES	ODDS 1:	PRIZE
4	326.4	$24
3	23.1	$5
2	4.7	$1
1	2.3	$0
0	3.2	$0
	3.8	

MARK 3 SPOTS:

NUMBER MATCHES	ODDS 1:	PRIZE
3	72.0	$16
2	7.2	$2
1	2.3	$0
0	2.4	$0
	6.5	

MARK 2 SPOTS:

NUMBER MATCHES	ODDS 1:	PRIZE
2	16.6	$8
1	2.6	$0
0	1.7	$0
	16.6	

MARK 1 SPOT:

NUMBER MATCHES	ODDS 1:	PRIZE
1	4.0	$2
0	1.3	$0
	4.0	

(2) The holder of a winning ticket may win only one prize per play in connection with the winning numbers drawn and shall be entitled only to the highest prize won by those numbers.

(3) In the event any player who holds a winning ticket does not claim the prize won within ((~~one hundred eighty~~)) 180 days of the drawing in which the prize was won, that player's prize shall be re-

tained in the state lottery account for further use as prizes, pursuant to RCW 67.70.190.

(4) There shall be no more than $500,000 paid per game to holders of plays with ((~~ten~~)) 10 matching spots. If there are more than five plays ((~~which~~)) that each have ((~~ten~~)) 10 matching spots, $500,000 shall be divided equally among the play holders thereof.

(5) Prize payment will be made in accordance with WAC 315-30-030(6) and chapter 315-06 WAC.

AMENDATORY SECTION (Amending WSR 92-19-057, filed 9/11/92, effective 11/8/92)

WAC 315-35-050 Ticket purchases. (1) Daily Keno tickets may be purchased or redeemed during no less than ((~~seventeen~~)) 17 hours each day in accordance with a schedule to be determined by the director, provided that ((~~online~~)) licensed retailers shall sell and redeem tickets only during their normal business hours.

(2) Daily Keno tickets may be purchased only from a licensed lottery retailer ((~~authorized by the director to sell online tickets~~)) or directly from the lottery. Internet sales and lottery courier services are not authorized in Washington state.

(3) Daily Keno tickets shall on the front of the ticket contain the player's selection of numbers, amount wagered, drawing date and validation and reference numbers. The back of the ticket shall contain an estimate of the probability of purchasing a winning ticket, player instructions, player information and signature area, and the ticket serial number.

RDS-6661.1

AMENDATORY SECTION (Amending WSR 20-11-016, filed 5/12/20, effective 6/12/20)

WAC 315-39-040 Prizes for Hit 5 Game. (1) The prize amount to be paid to each Hit 5 Game player who holds a winning combination of numbers in the first prize category shall vary due to the parimutuel calculation of prizes. The prize amount to be paid to each Hit 5 Game player who holds a winning combination of numbers in the second prize category shall be $150.00. The prize amount to be paid to each Hit 5 Game player who holds a winning combination of numbers in the third prize category shall be $15.00. The prize amount to be given to each Hit 5 Game player who holds a winning combination of numbers in the fourth prize category shall be a free play.

WINNING COMBINATIONS	PRIZE CATEGORIES	ODDS OF WINNING (ONE PLAY)
All five winning numbers in one play	First Prize: Cashpot	1:850,668.00
Any four but not five winning numbers in one play	Second Prize: $150.00	1:4,598.21
Any three but not four or five winning numbers in one play	Third Prize: $15.00	1:127.73

WINNING COMBINATIONS	PRIZE CATEGORIES	ODDS OF WINNING (ONE PLAY)
Any two, but not three, four or five winning numbers in one play	Fourth Prize: free play	1:10.95

(2) Prize amounts.

(a) First prize (cashpot). All first prizes will be the amount announced by the director as the Hit 5 Game cashpot. The cashpot will be divided equally among all players who selected all five winning numbers in one play (in any sequence).

(b) Second prize. A $150.00 prize is to be paid to each player who holds four of the five winning numbers in one play in any sequence.

(c) Third prize. A $15.00 prize is to be paid to each player who holds three of the five winning numbers in one play in any sequence.

(d) Fourth prize. A free play prize is to be given to each player who holds two of the five winning numbers in one play in any sequence.

(e) The holder of a winning ticket may win only one prize per play.

(f) In the event any player who holds two, three, four or five of the five winning numbers does not claim the prize won within ((~~one hundred eighty~~)) 180 days after the drawing in which the prize was won, that player's prize shall be retained in the state lottery account for use, pursuant to RCW 67.70.190.

(3) Prize payments will be made in accordance with WAC 315-30-030(6) and chapter 315-06 WAC. Each prize shall be paid in a single payment. Federal income tax shall be withheld from prize payments as required by law.

AMENDATORY SECTION (Amending WSR 07-03-113, filed 1/22/07, effective 2/22/07)

WAC 315-39-050 Ticket purchases. (1) Hit 5 Game tickets may be purchased daily in accordance with a schedule to be determined by the director. Licensed lottery retailers shall sell and redeem tickets only during their normal business hours. Hit 5 Game tickets may be purchased only from a licensed lottery retailer or directly from the lottery. Internet sales and lottery courier services are not authorized in Washington state.

(2) Hit 5 Game tickets shall, on the front of the ticket, contain the selection of numbers, amount, drawing date, ticket serial number and reference numbers. The back of the ticket shall contain overall odds of winning, player instructions, player information, signature area, governing statutes and rules, and the ticket stock number. The front of the ticket may include the overall odds of winning.

RDS-6662.1

AMENDATORY SECTION (Amending WSR 23-11-116, filed 5/22/23, effective 10/1/23)

WAC 315-42-040 Cash Pop ticket purchases. (1) Cash Pop tickets may be purchased daily in accordance with a schedule to be determined by the director. Cash Pop tickets may be purchased only from a licensed lottery retailer or directly from the lottery. Internet sales and lottery courier services are not authorized in Washington state. Licensed lottery retailers shall sell and redeem tickets only during their normal business hours.

(2) Cash Pop tickets shall contain the selected number(s), wager amount, drawing date, ticket serial number and reference numbers, overall odds of winning any Cash Pop prize, player instructions, player information, signature area, governing statutes and rules, and the ticket stock number.

(3) Cash Pop tickets cannot be canceled.

AMENDATORY SECTION (Amending WSR 23-11-116, filed 5/22/23, effective 10/1/23)

WAC 315-42-050 Drawings. (1) Cash Pop drawings shall be held pursuant to WAC 315-30-040 and chapter 315-06 WAC.

(2) The drawings will be conducted by lottery drawing officials.

(3) Each drawing will randomly select one winning number. The drawing method will be tested before and after each drawing. A drawn number is not a declared winner until the drawing is certified by the lottery. The certified winning number shall be used in determining all Cash Pop winners for that drawing. If a drawing is not certified, another drawing will be conducted to determine the winning number.

(4) The drawing shall not be invalidated based on the liability of the lottery.

(5) The Cash Pop drawings shall be held on a daily basis, Sunday through Saturday, except that the director may exclude certain holidays from the drawing schedule.