
HOUSE BILL 2218

State of Washington 52nd Legislature 1991 1st Special Session

By Representatives Rasmussen, Dorn, Wang, Holland, Kremen, Jacobsen, Fraser, Riley, Rayburn, Tate, Broback, Mielke, Casada, Brumsickle, Winsley, Heavey, Spanel, Pruitt, Sheldon, G. Fisher, Ogden, Prentice, Morris, Ludwig, Jones, R. Johnson, Phillips, Franklin and Anderson.

Read first time June 14, 1991. Referred to Committee on Revenue.

1 AN ACT Relating to the use of moneys in the state lottery account;
2 amending RCW 67.70.040 and 67.70.240; and declaring an emergency.

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

4 **Sec. 1.** RCW 67.70.040 and 1991 c 359 s 1 are each amended to read
5 as follows:

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

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

14 (a) The type of lottery to be conducted which may include the
15 selling of tickets or shares. The use of electronic or mechanical

1 devices or video terminals which allow for individual play against such
2 devices or terminals shall be prohibited. Approval of the legislature
3 shall be required before entering any agreement with other state
4 lotteries to conduct shared games;

5 (b) The price, or prices, of tickets or shares in the lottery;

6 (c) The numbers and sizes of the prizes on the winning tickets or
7 shares;

8 (d) The manner of selecting the winning tickets or shares;

9 (e) The manner and time of payment of prizes to the holder of
10 winning tickets or shares which, at the director's option, may be paid
11 in lump sum amounts or installments over a period of years;

12 (f) The frequency of the drawings or selections of winning tickets
13 or shares, without limitation;

14 (g) Without limit as to number, the type or types of locations at
15 which tickets or shares may be sold;

16 (h) The method to be used in selling tickets or shares;

17 (i) The licensing of agents to sell or distribute tickets or
18 shares, except that a person under the age of eighteen shall not be
19 licensed as an agent;

20 (j) The manner and amount of compensation, if any, to be paid
21 licensed sales agents necessary to provide for the adequate
22 availability of tickets or shares to prospective buyers and for the
23 convenience of the public;

24 (k) The apportionment of the total revenues accruing from the sale
25 of lottery tickets or shares and from all other sources among: (i) The
26 payment of prizes to the holders of winning tickets or shares, which
27 shall not be less than forty-five percent of the gross annual revenue
28 from such lottery, less amounts of unclaimed prizes deposited in the
29 general fund under RCW 67.70.190 during the fiscal year ending June 30,
30 1989, (ii) transfers to the lottery administrative account created by

1 RCW 67.70.260, and (iii) transfers to the state's general fund to be
2 used solely for funding the common schools. Transfers to the state
3 general fund shall be made in compliance with RCW 43.01.050;

4 (1) Such other matters necessary or desirable for the efficient and
5 economical operation and administration of the lottery and for the
6 convenience of the purchasers of tickets or shares and the holders of
7 winning tickets or shares.

8 (2) To ensure that in each place authorized to sell lottery tickets
9 or shares, on the back of the ticket or share, and in any advertising
10 or promotion there shall be conspicuously displayed an estimate of the
11 probability of purchasing a winning ticket.

12 (3) To amend, repeal, or supplement any such rules from time to
13 time as it deems necessary or desirable.

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

16 **Sec. 2.** RCW 67.70.240 and 1987 c 513 s 7 are each amended to read
17 as follows:

18 The moneys in the state lottery account shall be used only: (1)
19 For the payment of prizes to the holders of winning lottery tickets or
20 shares; (2) for purposes of making deposits into the reserve account
21 created by RCW 67.70.250 and into the lottery administrative account
22 created by RCW 67.70.260; (3) for purposes of making deposits into the
23 state's general fund(~~(; (4) for purposes of making deposits into the~~
24 ~~housing trust fund under the provisions of section 7 of this 1987 act;~~
25 ~~(5))~~) to be used solely for funding the common schools; (4) for the
26 purchase and promotion of lottery games and game-related services; and
27 (~~(+6))~~) (5) for the payment of agent compensation.

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

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

3 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
4 preservation of the public peace, health, or safety, or support of the
5 state government and its existing public institutions, and shall take
6 effect immediately.