

1 **ESSB 6244** - H AMDS TO APP COMM AMD (H4310.3/94)**1226 LOST 2/25/94**
2 By Representatives Cooke, B. Thomas and others

3 On page 137, after line 7 of the amendment, insert the
4 following:

5 "NEW SECTION. **Sec. 903.** A new section is added to chapter
6 24, Laws of 1993 sp.s. (uncodified) to read as follows:

7 The education enhancement account is created in the state
8 treasury. Moneys in the account may be spent only after
9 appropriation. Expenditures from the account may be used only for
10 K-12 programs that do not fall within the definition of basic
11 education under Article IX of the State Constitution."

12 On page 137, line 8 of the amendment, strike all of section
13 903 and insert the following:

14 "**Sec. 904.** RCW 67.70.040 and 1991 c 359 s 1 are each amended
15 to read as follows:

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

17 (1) To promulgate such rules governing the establishment and
18 operation of a state lottery as it deems necessary and desirable in
19 order that such a lottery be initiated at the earliest feasible and
20 practicable time, and in order that such lottery produce the
21 maximum amount of net revenues for the state consonant with the
22 dignity of the state and the general welfare of the people. Such
23 rules shall include, but shall not be limited to, the following:

24 (a) The type of lottery to be conducted which may include the
25 selling of tickets or shares. The use of electronic or mechanical
26 devices or video terminals which allow for individual play against
27 such devices or terminals shall be prohibited. Approval of the
28 legislature shall be required before entering any agreement with
29 other state lotteries to conduct shared games;

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

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

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

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

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

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

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

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

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

19 (k) The apportionment of the total revenues accruing from the
20 sale of lottery tickets or shares and from all other sources among:

21 (i) The payment of prizes to the holders of winning tickets or
22 shares, which shall not be less than forty-five percent of the
23 gross annual revenue from such lottery, less amounts of unclaimed
24 prizes deposited in the general fund under RCW 67.70.190 during the
25 fiscal year ending June 30, 1989, (ii) transfers to the lottery
26 administrative account created by RCW 67.70.260, and (iii) transfer
27 to the ~~((state's general fund. Transfers to the state general fund
28 shall be made in compliance with RCW 43.01.050))~~ education
29 enhancement account created under section 903, chapter..., Laws of
30 1994 (this act);

31 (l) Such other matters necessary or desirable for the
32 efficient and economical operation and administration of the

1 lottery and for the convenience of the purchasers of tickets or
2 shares and the holders of winning tickets or shares.

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

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

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

11 **Sec. 905.** RCW 67.70.240 and 1987 c 513 s 7 are each amended to
12 read as follows:

13 The moneys in the state lottery account shall be used only:
14 (1) For the payment of prizes to the holders of winning lottery
15 tickets or shares; (2) for purposes of making deposits into the
16 reserve account created by RCW 67.70.250 and into the lottery
17 administrative account created by RCW 67.70.260; (3) for purposes
18 of making deposits into the ~~((state's general fund))~~ education
19 enhancement account created under section 903, chapter ..., Laws of
20 1994 (this act); (4) for purposes of making deposits into the
21 housing trust fund under the provisions of *section 7 of this 1987
22 act; (5) for the purchase and promotion of lottery games and game-
23 related services; and (6) for the payment of agent compensation.

24 The office of financial management shall require the allotment
25 of all expenses paid from the account and shall report to the ways
26 and means committees of the senate and house of representatives any
27 changes in the allotments."

28 Renumber remaining sections consecutively and correct internal
29 references accordingly.

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1 On page 102, line 36 of the amendment, strike line 36 and line
2 1 on page 103 and insert the following:

3 "~~((General Fund Appropriation.....\$ 47,832,000))~~
4 Education Enhancement Account Appropriation\$57,587,000"

5 On page 104, line 5 of the amendment, strike line 5 and insert
6 the following:

7 "~~((General Fund Appropriation.....\$ 57,990,000))~~
8 Education Enhancement Account Appropriation.....\$"

9 On page 106, line 14 of the amendment, strike "52,300,000" and
10 insert "~~((52,300,000))~~ 39,836,000

11 Education Enhancement Account Appropriation.....\$ 12,464,000
12 TOTAL APPROPRIATION.....\$ 52,300,000"

13 Renumber the remaining sections consecutively and correct internal
14 references accordingly.

EFFECT: Replaces \$147 million in GF-S appropriations in non-
basic education programs with proceeds from lottery revenue
previously deposited in the general fund. Creates the
education enhancement account. Adds \$10,000,000 to Block
Grants (Local Enhancement Funds). Reduces GF-S revenue by
\$147 million.