

1 **HB 3120 - H AMD 1020 ADOPTED 2-27-98**

2 By Representative Hankins

3 Strike everything after the enacting clause and insert the following:

4 **Sec. 1.** RCW 67.70.040 and 1994 c 218 s 4 are each amended to read as follows:

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

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

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

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

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

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

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

20 (f) The frequency of the drawings or selections of winning tickets or shares. Approval of the
21 legislature is required before conducting any on-line game in which the drawing or selection of
22 winning tickets occurs more frequently than once every twenty-four hours;

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

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

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

28 (j) The manner and amount of compensation, if any, to be paid licensed sales agents necessary
29 to provide for the adequate availability of tickets or shares to prospective buyers and for the
30 convenience of the public. A bonus or marketing incentive may not be given in the form of cash
31 unless the omnibus appropriations act specifically appropriates moneys for such cash incentives;

1 (k) The apportionment of the total revenues accruing from the sale of lottery tickets or shares
2 and from all other sources among: (i) Transfer to the state's general fund, which shall not be less than
3 the proportion of gross annual revenue specified in the omnibus appropriations act, (ii) ~~((The))~~the
4 payment of prizes to the holders of winning tickets or shares, which shall not be less than forty-five
5 percent of the gross annual revenue from such lottery, and (iii) transfers to the lottery administrative
6 account created by RCW 67.70.260(~~(, and (iii) transfer to the state's general fund)~~). Transfers to the
7 state general fund shall be made in compliance with RCW 43.01.050;

8 (l) Such other matters necessary or desirable for the efficient and economical operation and
9 administration of the lottery and for the convenience of the purchasers of tickets or shares and the
10 holders of winning tickets or shares.

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

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

16 (4) To advise and make recommendations to the director for the operation and administration
17 of the lottery.–

EFFECT: The state lottery will not give cash bonuses or cash marketing incentives to retailers without specific legislative appropriation. The apportionment of total revenues to the general fund will comply with the proportion specified in the omnibus appropriations act.