
HOUSE BILL 2390

State of Washington

56th Legislature

2000 Regular Session

By Representatives Hankins, Cox, Mitchell, Radcliff, Skinner, Woods, Schoesler, Ericksen, Parlette, Clements, Delvin, Buck, Wensman, Pennington, Alexander, Barlean, Huff, Koster, D. Schmidt, Mastin, Talcott, Fortunato, Mulliken, Dunn, Van Luven, Bush and Esser

Read first time 01/12/2000. Referred to Committee on Appropriations.

1 AN ACT Relating to the use of state lottery proceeds for school
2 construction; amending RCW 67.70.040 and 67.70.240; and providing an
3 effective date.

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

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

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

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

15 (a) The type of lottery to be conducted which may include the
16 selling of tickets or shares. The use of electronic or mechanical
17 devices or video terminals which allow for individual play against such
18 devices or terminals shall be prohibited. Approval of the legislature

1 shall be required before entering any agreement with other state
2 lotteries to conduct shared games;

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

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

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

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

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

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, (ii) transfers to the lottery administrative account
29 created by RCW 67.70.260, and (iii) transfers to the ~~((state's general
30 fund. Transfers to the state general fund shall be made in compliance
31 with RCW 43.01.050))~~ common school construction account;

32 (l) Such other matters necessary or desirable for the efficient and
33 economical operation and administration of the lottery and for the
34 convenience of the purchasers of tickets or shares and the holders of
35 winning tickets or shares.

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

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

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

5 **Sec. 2.** RCW 67.70.240 and 1997 c 220 s 206 are each amended to
6 read as follows:

7 The moneys in the state lottery account shall be used only:

8 (1) For the payment of prizes to the holders of winning lottery
9 tickets or shares;

10 (2) For purposes of making deposits into the reserve account
11 created by RCW 67.70.250 and into the lottery administrative account
12 created by RCW 67.70.260;

13 (3) For purposes of making deposits into the (~~state's general~~
14 ~~fund~~) common school construction account;

15 (4) For distribution to a county for the purpose of paying the
16 principal and interest payments on bonds issued by the county to
17 construct a baseball stadium, as defined in RCW 82.14.0485, including
18 reasonably necessary preconstruction costs. Three million dollars
19 shall be distributed under this subsection during calendar year 1996.
20 During subsequent years, such distributions shall equal the prior
21 year's distributions increased by four percent. Distributions under
22 this subsection shall cease when the bonds issued for the construction
23 of the baseball stadium are retired, but not more than twenty years
24 after the tax under RCW 82.14.0485 is first imposed;

25 (5) For distribution to the stadium and exhibition center account,
26 created in RCW 43.99N.060. Subject to the conditions of RCW
27 43.99N.070, six million dollars shall be distributed under this
28 subsection during the calendar year 1998. During subsequent years,
29 such distribution shall equal the prior year's distributions increased
30 by four percent. No distribution may be made under this subsection
31 after December 31, 1999, unless the conditions for issuance of the
32 bonds under RCW 43.99N.020(2) are met. Distributions under this
33 subsection shall cease when the bonds are retired, but not later than
34 December 31, 2020;

35 (6) For the purchase and promotion of lottery games and game-
36 related services; and

37 (7) For the payment of agent compensation.

1 The office of financial management shall require the allotment of
2 all expenses paid from the account and shall report to the ways and
3 means committees of the senate and house of representatives any changes
4 in the allotments.

5 NEW SECTION. **Sec. 3.** This act takes effect July 1, 2000.

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