

FINAL BILL REPORT

E2SSB 6560

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Synopsis as Enacted

Brief Description: Allowing the lottery commission to participate in a shared game lottery.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senator Prentice; by request of Governor Locke).

Senate Committee on Labor, Commerce & Financial Institutions
Senate Committee on Ways & Means

Background: Current law precludes the Lottery Commission from entering into an agreement with other state lotteries to conduct shared or multi-state games. Prior legislative approval is required.

Forty states have state lotteries. Of those, 32 states have or are proposing a shared multi-state game such as PowerBall or The Big Game. Oregon and Idaho currently offer PowerBall. These games operate like Washington's current Lotto game, selling on-line tickets through commissioned vendors, and offering two draws per week. The shared nature of these multi-state games allows for multi-million dollar jackpots at every drawing.

Currently, revenue from Washington State lottery sales goes into the state lottery account, and then is apportioned to prizes (a minimum of 45 percent), administrative costs, and the student achievement and education construction accounts.

Summary: The Lottery Commission is given express authority to enter into the multi-state agreement establishing the shared game lottery known as The Big Game. "Shared game lottery" is defined as any lottery activity in which the commission participates under written agreement between the commission, on behalf of the state, and any other state or states. A new "shared game lottery account" for multi-state game lottery revenues is created, managed by the Lottery Commission.

The Legislature recognizes that shared game ticket sales may reduce sales of existing lottery tickets, and that the two funds most impacted by this shift are the student achievement account and the education construction account. For fiscal year 2003 and thereafter, if the amount of lottery revenues for these two funds collectively falls below \$102 million, the Lottery Commission must transfer an amount from the shared game lottery account to the student achievement and the education construction accounts to meet the \$102 million level.

For fiscal year 2003, \$500,000 of the shared game revenues are transferred into the violence reduction and drug enforcement account (VRDE), exclusively for the treatment of pathological gambling. The Department of Social and Health Services is required to develop a treatment program for pathological gambling for persons amenable to but unable to afford treatment. Treatment is limited to funds available. The department must report to the

Legislature by September 1, 2002, with a plan for implementing the program, and by November 1, 2003, with program participation and client outcomes.

The remaining shared game revenue is transferred to the general fund.

Votes on Final Passage:

Senate	27	22
House	60	38

Effective: June 13, 2002