

SENATE BILL REPORT

SB 6009

As Reported By Senate Committee On:
Commerce & Trade, March 5, 2003

Title: An act relating to multiple daily drawing on-line games.

Brief Description: Authorizing multiple daily drawing on-line games.

Sponsors: Senators Hewitt and Prentice.

Brief History:

Committee Activity: Commerce & Trade: 3/5/03 [DPS, DNPS].

SENATE COMMITTEE ON COMMERCE & TRADE

Majority Report: That Substitute Senate Bill No. 6009 be substituted therefor, and the substitute bill do pass.

Signed by Senators Honeyford, Chair; Hewitt, Vice Chair; Keiser and Mulliken.

Minority Report: Do not pass substitute.

Signed by Senator Franklin.

Staff: John Dziedzic (786-7784)

Background: Under Chapter 67.70 RCW, the Lottery Commission (the Lottery) is authorized to conduct "on-line games." In an on-line game, a player "pays a fee to a lottery retailer and selects a combination of digits, numbers, or symbols" and receives a computer-generated ticket. The Lottery separately "draws or selects the winning combination." The Lottery may establish by rule the types of games to be conducted, the price of tickets, the number and sizes of prizes, and other specified aspects of such games. The drawing or selecting of the winning tickets cannot occur more frequently than once every 24 hours without legislative approval.

Summary of Substitute Bill: The Lottery is authorized to conduct on-line games in which the winning ticket is drawn more often than once every 24 hours.

Substitute Bill Compared to Original Bill: The creation of a separate account, and a requirement that revenues received from multiple-daily-draw on-line games be deposited to that account are deleted.

Appropriation: None.

Fiscal Note: Requested on March 4, 2003.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Keno is currently offered by the Lottery Commission, with a winner drawn once each day. This bill would allow the Lottery to conduct Keno games as frequently as approximately five-minute intervals. Providing more frequent games would not require major changes to the existing network of electronic devices. The game is popular in both retail outlets and social settings, such as restaurants, taverns and bowling facilities. In Oregon, the game consistently generates \$2 million in sales per week.

Testimony Against: Increasing the frequency of on-line games is a dangerous incremental expansion of gambling. Offering games more frequently would further detract from charitable bingo as a fundraiser for nonprofit organizations, and could directly compete with some forms of electronic gaming currently offered by casinos operating under tribal-state gaming compacts. Loitering between games is a concern.

Testified: CON: Bob Higley, WA Evangelicals for Responsible Gov't; Stephen Strand, WA Charitable & Civic Gaming Assn.; Steve Wehrly, Muckleshoot Tribe; PRO: Becky Bogard, G-Tech Corp.