
SUBSTITUTE SENATE BILL 6613

State of Washington

59th Legislature

2006 Regular Session

By Senate Committee on Labor, Commerce, Research & Development
(originally sponsored by Senators Prentice, Keiser, Kline, Rasmussen
and Shin)

READ FIRST TIME 02/03/06.

1 AN ACT Relating to reaffirming and clarifying the prohibition
2 against internet and certain other interactive electronic or mechanical
3 devices to engage in gambling; amending RCW 9.46.240 and 67.70.040; and
4 creating a new section.

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

6 NEW SECTION. **Sec. 1.** It is the policy of this state to prohibit
7 all forms and means of gambling, except where carefully and
8 specifically authorized and regulated. With the advent of the internet
9 and other technologies and means of communication that were not
10 contemplated when either the gambling act was enacted in 1973, or the
11 lottery commission was created in 1982, it is appropriate for this
12 legislature to reaffirm the policy prohibiting gambling that exploits
13 such new technologies.

14 **Sec. 2.** RCW 9.46.240 and 1991 c 261 s 9 are each amended to read
15 as follows:

16 Whoever knowingly transmits or receives gambling information by
17 telephone, telegraph, radio, semaphore, the internet, a
18 telecommunications transmission system, or similar means, or knowingly

1 installs or maintains equipment for the transmission or receipt of
2 gambling information shall be guilty of a (~~gross misdemeanor~~) class
3 C felony subject to the penalty set forth in RCW 9A.20.021(~~+~~
4 ~~PROVIDED, HOWEVER, That~~). However, this section shall not apply to
5 such information transmitted or received or equipment installed or
6 maintained relating to activities authorized by this chapter or to any
7 act or acts in furtherance thereof when conducted in compliance with
8 the provisions of this chapter and in accordance with the rules (~~and~~
9 ~~regulations~~) adopted (~~pursuant thereto~~) under this chapter.

10 **Sec. 3.** RCW 67.70.040 and 1994 c 218 s 4 are each amended to read
11 as follows:

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

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

20 (a) The type of lottery to be conducted which may include the
21 selling of tickets or shares, but such tickets or shares may not be
22 sold over the internet. The use of electronic or mechanical devices or
23 video terminals which allow for individual play against such devices or
24 terminals shall be prohibited. An affirmative vote of sixty percent of
25 both houses of the legislature is required before offering any game
26 allowing or requiring a player to become eligible for a prize or to
27 otherwise play any portion of the game by interacting with any device
28 or terminal involving digital, video, or other electronic
29 representations of any game of chance, including scratch tickets, pull-
30 tabs, bingo, poker or other cards, dice, roulette, keno, or slot
31 machines. Approval of the legislature shall be required before
32 entering any agreement with other state lotteries to conduct shared
33 games;

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

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

1 (d) The manner of selecting the winning tickets or shares, except
2 as limited by (a) of this subsection;

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

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

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

12 (h) The method to be used in selling tickets or shares, except as
13 limited by (a) of this subsection;

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

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

21 (k) The apportionment of the total revenues accruing from the sale
22 of lottery tickets or shares and from all other sources among: (i) The
23 payment of prizes to the holders of winning tickets or shares, which
24 shall not be less than forty-five percent of the gross annual revenue
25 from such lottery, (ii) transfers to the lottery administrative account
26 created by RCW 67.70.260, and (iii) transfer to the state's general
27 fund. Transfers to the state general fund shall be made in compliance
28 with RCW 43.01.050;

29 (1) Such other matters necessary or desirable for the efficient and
30 economical operation and administration of the lottery and for the
31 convenience of the purchasers of tickets or shares and the holders of
32 winning tickets or shares.

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

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

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

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