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SENATE BILL 6107

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State of Washington

61st Legislature

2009 Regular Session

By Senator Jacobsen

Read first time 03/02/09. Referred to Committee on Ways & Means.

1 AN ACT Relating to funding the state wildlife account; amending RCW  
2 67.70.040 and 67.70.240; and adding a new section to chapter 67.70 RCW.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 67.70 RCW  
5 to read as follows:

6 (1) The commission must conduct an online keno game in which the  
7 drawing or selection of winning tickets occurs more frequently than  
8 once every twenty-four hours but not less than every four minutes. The  
9 online keno game may not require interaction between a player and any  
10 device or terminal otherwise prohibited by RCW 67.70.040(1)(a).

11 (2) The commission may adopt rules necessary to implement this  
12 section.

13 **Sec. 2.** RCW 67.70.040 and 2006 c 290 s 3 are each amended to read  
14 as follows:

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

16 (1) To adopt rules governing the establishment and operation of a  
17 state lottery as it deems necessary and desirable in order that such a  
18 lottery be initiated at the earliest feasible and practicable time, and

1 in order that such lottery produce the maximum amount of net revenues  
2 for the state consonant with the dignity of the state and the general  
3 welfare of the people. Such rules shall include, but shall not be  
4 limited to, the following:

5 (a) The type of lottery to be conducted which may include the  
6 selling of tickets or shares, but such tickets or shares may not be  
7 sold over the internet. The use of electronic or mechanical devices or  
8 video terminals which allow for individual play against such devices or  
9 terminals shall be prohibited. An affirmative vote of sixty percent of  
10 both houses of the legislature is required before offering any game  
11 allowing or requiring a player to become eligible for a prize or to  
12 otherwise play any portion of the game by interacting with any device  
13 or terminal involving digital, video, or other electronic  
14 representations of any game of chance, including scratch tickets, pull-  
15 tabs, bingo, poker or other cards, dice, roulette, keno, or slot  
16 machines. Approval of the legislature shall be required before  
17 entering any agreement with other state lotteries to conduct shared  
18 games;

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

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

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

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

27 (f) The frequency of the drawings or selections of winning tickets  
28 or shares (~~(. Approval of the legislature is required before conducting  
29 any online game in which the drawing or selection of winning tickets  
30 occurs more frequently than once every twenty four hours))~~);

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

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

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

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

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

13 (1) Such other matters necessary or desirable for the efficient and  
14 economical operation and administration of the lottery and for the  
15 convenience of the purchasers of tickets or shares and the holders of  
16 winning tickets or shares.

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

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

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

25 **Sec. 3.** RCW 67.70.240 and 2001 c 3 s 4 are each amended to read as  
26 follows:

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

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

30 (2) For purposes of making deposits into the reserve account  
31 created by RCW 67.70.250 and into the lottery administrative account  
32 created by RCW 67.70.260;

33 (3) For purposes of making deposits into the education construction  
34 fund and student achievement fund created in RCW 43.135.045. For the  
35 transition period from July 1, 2001, until and including June 30, 2002,  
36 fifty percent of the moneys not otherwise obligated under this section  
37 shall be placed in the student achievement fund and fifty percent of

1 these moneys shall be placed in the education construction fund. On  
2 and after July 1, 2002, until June 30, 2004, seventy-five percent of  
3 these moneys shall be placed in the student achievement fund and  
4 twenty-five percent shall be placed in the education construction fund.  
5 On and after July 1, 2004, all deposits not otherwise obligated under  
6 this section shall be placed in the education construction fund.  
7 Moneys in the state lottery account deposited in the education  
8 construction fund and the student achievement fund are included in  
9 "general state revenues" under RCW 39.42.070;

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

20 (5) For distribution to the stadium and exhibition center account,  
21 created in RCW 43.99N.060. Subject to the conditions of RCW  
22 43.99N.070, six million dollars shall be distributed under this  
23 subsection during the calendar year 1998. During subsequent years,  
24 such distribution shall equal the prior year's distributions increased  
25 by four percent. No distribution may be made under this subsection  
26 after December 31, 1999, unless the conditions for issuance of the  
27 bonds under RCW 43.99N.020(2) are met. Distributions under this  
28 subsection shall cease when the bonds are retired, but not later than  
29 December 31, 2020;

30 (6) For distribution of revenue received under the game created in  
31 section 1 of this act, after payments have been made under subsection  
32 (1) of this section, to the state wildlife account created in RCW  
33 77.12.170;

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

36 ~~((+7))~~ (8) For the payment of agent compensation.  
37 The office of financial management shall require the allotment of

1 all expenses paid from the account and shall report to the ways and  
2 means committees of the senate and house of representatives any changes  
3 in the allotments.

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