
Government Accountability & Oversight Committee

HB 2281

Brief Description: Addressing state lottery efficiency.

Sponsors: Representatives Vick, Holy, Hurst and Condotta; by request of Washington State Lottery.

Brief Summary of Bill

- Allows probability of winning to appear on front or back of tickets and advertisements.
- Allows Director of the State Lottery to report revenues and expenses annually rather than quarterly.
- Eliminates reference to accounts no longer being funded by the Lottery.

Hearing Date: 1/20/14

Staff: David Rubenstein (786-7153).

Background:

The Washington Lottery was established in 1982. The Lottery sells a variety of products, including scratch-off ticket games, Keno, multi-jurisdictional number-picking games such as Powerball and Mega Millions, and other games of chance. All lottery tickets and promotional materials must include on the back of the ticket or share an estimate of the probability of purchasing a winning ticket.

Lottery revenues are used for the following purposes in addition to prizes and administrative expenses (these figures are amounts distributed in FY 2012):

- Washington Opportunity Pathways Account - \$122 million;
- King County - \$2.3 million
- stadium and Exhibition Center Account- \$13.3 million;

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- problem gambling education - \$0.3 million; and
- economic development - \$3 million.

Before 2010, lottery revenues from Powerball, were directed to the program of basic education. Another statute, enacted in 1997, required the creation of special sports-themed scratch games to support the construction of a baseball stadium. Legislation redirected revenues to the Washington Opportunity Pathways Account and eliminated funding for the baseball stadium.

The Director of the State Lottery is required, among other things, to supervise and administer the operation of the lottery, license agents to sell tickets, confer with the Lottery Commission on the operation and administration of the lottery, certify quarterly to the State Treasurer a statement of lottery revenues and expenses, and to continuously monitor the operation of the lottery in Washington and in other states.

Summary of Bill:

Requires probability of purchasing a winning ticket appear anywhere tickets and promotional material, rather than only on the back of tickets and promotional material.

Changes the required reporting of revenues and expenses to the State Treasurer to annual rather than quarterly.

Eliminates requirement that remaining net revenues from Powerball be distributed to the general fund to support the program of basic education after disbursement to the Washington Opportunity Pathways Account, and the problem gambling account.

Repeals statute requiring the creation of special sports-themed scratch games to support construction of a baseball stadium.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.