

SENATE BILL REPORT

SHB 1982

As Reported by Senate Committee On:
Ways & Means, April 25, 2013

Title: An act relating to eliminating lottery games that generate insufficient net revenue.

Brief Description: Eliminating lottery games that generate insufficient net revenue.

Sponsors: House Committee on Appropriations (originally sponsored by Representative Hunter).

Brief History: Passed House: 4/16/13, 96-0.

Committee Activity: Ways & Means: 4/25/13 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Hill, Chair; Baumgartner, Vice Chair; Honeyford, Capital Budget Chair; Hargrove, Ranking Member; Nelson, Assistant Ranking Member; Bailey, Becker, Braun, Conway, Dammeier, Fraser, Hasegawa, Hatfield, Hewitt, Keiser, Kohl-Welles, Padden, Parlette, Rivers, Schoesler and Tom.

Staff: Dianne Criswell (786-7433)

Background: State Lottery. The Washington Lottery (Lottery) was established in 1982 to produce revenues for the state. Proceeds from Lottery revenues are deposited into the Lottery Account to support Lottery operations and also for specific beneficiaries. Lottery beneficiaries include the following:

- the Washington Opportunity Pathways Account;
- distributions to counties for payment of stadium bonds;
- problem-gambling education;
- the Veterans Innovation Program (VIP);
- economic development; and
- the state general fund.

Veterans Raffle. In 2011, the Legislature established an annual Veterans Day Raffle. The Lottery Commission was directed to conduct an annual statewide raffle to benefit veterans and their families. All revenues received from the sale of the tickets, less amounts paid out in prizes and actual administrative expenses related to the veterans lottery games, must be

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deposited into the VIP Account for purposes of serving veterans and their families. The raffle generated approximately \$270,000 in net revenues during fiscal year 2012. However, in fiscal year 2013, the Veterans Day Raffle did not generate net revenues for distribution to the VIP Account.

VIP. In 2006, the Legislature established VIP within the Department of Veterans Affairs. The purpose of VIP is to provide crisis and emergency relief, and education, training, and employment assistance to veterans and their families. VIP terminates on June 30, 2016.

Summary of Bill: The requirement for the Lottery to conduct an annual Veterans Day Raffle is repealed. Transfers to the VIP Account from the raffle are eliminated. Obsolete transfers from the Lottery Account to the Education Construction Fund and for payment of bonds for Safeco Field are removed.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This bill will remove the annual raffle, which has not generated sufficient revenue.

Persons Testifying: PRO: Arlen Harris, WA State Lottery.