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HOUSE BILL 2232

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State of Washington                      52nd Legislature    1991 1st Special Session

By Representatives Holland, Paris, Van Luven and Edmondson.

Read first time June 21, 1991. Referred to Committee on Revenue.

1            AN ACT Relating to dedicating revenue for education; amending RCW  
2 28B.15.031, 67.70.040, 67.70.240, 84.52.043, 84.52.065, and 84.52.067;  
3 adding a new section to chapter 43.79 RCW; adding a new section to  
4 chapter 82.32 RCW; and providing an effective date.

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

6            NEW SECTION.    **Sec. 1.** A new section is added to chapter 43.79 RCW  
7 to read as follows:

8            The educational support account is created in the state treasury.  
9 Expenditures from the account may be used only for appropriations to  
10 the superintendent of public instruction, the institutions of higher  
11 education as defined in RCW 28B.10.016, the higher education  
12 coordinating board, and the state board for community college  
13 education.

1       **Sec. 2.** RCW 28B.15.031 and 1987 c 15 s 2 are each amended to read  
2 as follows:

3       The term "operating fees" as used in this chapter shall include the  
4 fees, other than building fees, charged all students registering at the  
5 state's colleges and universities but shall not include fees for short  
6 courses, self-supporting degree credit programs and courses, marine  
7 station work, experimental station work, correspondence or extension  
8 courses, and individual instruction and student deposits or rentals,  
9 disciplinary and library fines, which colleges and universities shall  
10 have the right to impose, laboratory, gymnasium, health, and student  
11 activity fees, or fees, charges, rentals, and other income derived from  
12 any or all revenue producing lands, buildings and facilities of the  
13 colleges or universities heretofore or hereafter acquired, constructed  
14 or installed, including but not limited to income from rooms,  
15 dormitories, dining rooms, hospitals, infirmaries, housing or student  
16 activity buildings, vehicular parking facilities, land, or the  
17 appurtenances thereon, or such other special fees as may be established  
18 by any college or university board of trustees or regents from time to  
19 time. All moneys received as operating fees at any institution of  
20 higher education shall be transmitted to the state treasurer within  
21 thirty-five days of receipt to be deposited in the ((~~state general~~  
22 ~~fund~~)) educational support account under section 1 of this act:  
23 PROVIDED, That two and one-half percent of moneys received as operating  
24 fees be exempt from such deposit and be retained by the institutions  
25 for the purposes of RCW 28B.15.820: PROVIDED FURTHER, That money  
26 received by institutions of higher education from the periodic payment  
27 plan authorized by RCW 28B.15.411 shall be transmitted to the state  
28 treasurer within five days following the close of registration of the  
29 appropriate quarter or semester.

1       **Sec. 3.** RCW 67.70.040 and 1991 c 359 s 1 are each amended to read  
2 as follows:

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

4       (1) To promulgate such rules governing the establishment and  
5 operation of a state lottery as it deems necessary and desirable in  
6 order that such a lottery be initiated at the earliest feasible and  
7 practicable time, and in order that such lottery produce the maximum  
8 amount of net revenues for the state consonant with the dignity of the  
9 state and the general welfare of the people. Such rules shall include,  
10 but shall not be limited to, the following:

11       (a) The type of lottery to be conducted which may include the  
12 selling of tickets or shares. The use of electronic or mechanical  
13 devices or video terminals which allow for individual play against such  
14 devices or terminals shall be prohibited. Approval of the legislature  
15 shall be required before entering any agreement with other state  
16 lotteries to conduct shared games;

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

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

20       (d) The manner of selecting the winning tickets or shares;

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

24       (f) The frequency of the drawings or selections of winning tickets  
25 or shares, without limitation;

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

28       (h) The method to be used in selling tickets or shares;

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

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

8 (k) The apportionment of the total revenues accruing from the sale  
9 of lottery tickets or shares and from all other sources among: (i) The  
10 payment of prizes to the holders of winning tickets or shares, which  
11 shall not be less than forty-five percent of the gross annual revenue  
12 from such lottery, less amounts of unclaimed prizes deposited in the  
13 general fund under RCW 67.70.190 during the fiscal year ending June 30,  
14 1989, (ii) transfers to the lottery administrative account created by  
15 RCW 67.70.260, and (iii) transfer to the ~~((state's general fund))~~  
16 educational support account under section 1 of this act. Transfers to  
17 the ~~((state general fund))~~ educational support account shall be made in  
18 compliance with RCW 43.01.050;

19 (1) Such other matters necessary or desirable for the efficient and  
20 economical operation and administration of the lottery and for the  
21 convenience of the purchasers of tickets or shares and the holders of  
22 winning tickets or shares.

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

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

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

1       **Sec. 4.** RCW 67.70.240 and 1987 c 513 s 7 are each amended to read  
2 as follows:

3       The moneys in the state lottery account shall be used only: (1)  
4 For the payment of prizes to the holders of winning lottery tickets or  
5 shares; (2) for purposes of making deposits into the reserve account  
6 created by RCW 67.70.250 and into the lottery administrative account  
7 created by RCW 67.70.260; (3) for purposes of making deposits into the  
8 ~~((state's general fund))~~ educational support account under section 1 of  
9 this act; (4) ~~((for purposes of making deposits into the housing trust~~  
10 ~~fund under the provisions of section 7 of this 1987 act; (5))~~) for the  
11 purchase and promotion of lottery games and game-related services; and  
12 ~~((+6))~~ (5) for the payment of agent compensation.

13       The office of financial management shall require the allotment of  
14 all expenses paid from the account and shall report to the ways and  
15 means committees of the senate and house of representatives any changes  
16 in the allotments.

17       **Sec. 5.** RCW 84.52.043 and 1990 c 234 s 1 are each amended to read  
18 as follows:

19       Within and subject to the limitations imposed by RCW 84.52.050 as  
20 amended, the regular ad valorem tax levies upon real and personal  
21 property by the taxing districts hereafter named shall be as follows:

22       (1) Levies of the senior taxing districts shall be as follows: (a)  
23 The levy by the state shall not exceed three dollars and sixty cents  
24 per thousand dollars of assessed value adjusted to the state equalized  
25 value in accordance with the indicated ratio fixed by the state  
26 department of revenue to be used exclusively ~~((for the support of the~~  
27 ~~common schools))~~ as provided in RCW 84.52.067; (b) the levy by any  
28 county shall not exceed one dollar and eighty cents per thousand  
29 dollars of assessed value; (c) the levy by any road district shall not

1 exceed two dollars and twenty-five cents per thousand dollars of  
2 assessed value; and (d) the levy by any city or town shall not exceed  
3 three dollars and thirty-seven and one-half cents per thousand dollars  
4 of assessed value. However any county is hereby authorized to increase  
5 its levy from one dollar and eighty cents to a rate not to exceed two  
6 dollars and forty-seven and one-half cents per thousand dollars of  
7 assessed value for general county purposes if the total levies for both  
8 the county and any road district within the county do not exceed four  
9 dollars and five cents per thousand dollars of assessed value, and no  
10 other taxing district has its levy reduced as a result of the increased  
11 county levy.

12 (2) Except as provided in RCW 84.52.100, the aggregate levies of  
13 junior taxing districts and senior taxing districts, other than the  
14 state, shall not exceed five dollars and ninety cents per thousand  
15 dollars of assessed valuation. The term "junior taxing districts"  
16 includes all taxing districts other than the state, counties, road  
17 districts, cities, towns, port districts, and public utility districts.  
18 The limitations provided in this subsection shall not apply to: (a)  
19 Levies at the rates provided by existing law by or for any port or  
20 public utility district; (b) excess property tax levies authorized in  
21 Article VII, section 2 of the state Constitution; (c) levies for  
22 acquiring conservation futures as authorized under RCW 84.34.230; and  
23 (d) levies for emergency medical care or emergency medical services  
24 imposed under RCW 84.52.069.

25 **Sec. 6.** RCW 84.52.065 and 1979 ex.s. c 218 s 1 are each amended to  
26 read as follows:

27 Subject to the limitations in RCW 84.55.010, in each year the state  
28 shall levy for collection in the following year (~~for the support of~~  
29 ~~common schools of the state~~) a tax of three dollars and sixty cents

1 per thousand dollars of assessed value upon the assessed valuation of  
2 all taxable property within the state adjusted to the state equalized  
3 value in accordance with the indicated ratio fixed by the state  
4 department of revenue.

5 **Sec. 7.** RCW 84.52.067 and 1967 ex.s. c 133 s 2 are each amended to  
6 read as follows:

7 All property taxes levied by the state (~~((for the support of common~~  
8 ~~schools))~~) shall be paid into the (~~((general fund of the state treasury~~  
9 ~~as provided in RCW 84.56.280))~~) educational support account under  
10 section 1 of this act.

11 NEW SECTION. **Sec. 8.** A new section is added to chapter 82.32 RCW  
12 to read as follows:

13 Revenue received under RCW 82.08.020 and 82.12.020 shall be  
14 deposited as follows:

15 (1) Of revenues received for taxable events occurring after June  
16 30, 1993, and before July 1, 1995, ninety-four percent shall be  
17 deposited in the educational support account under section 1 of this  
18 act, and the balance shall be deposited in the general fund.

19 (2) Of revenues received for taxable events occurring after June  
20 30, 1995, one hundred percent shall be deposited in the educational  
21 support account under section 1 of this act.

22 NEW SECTION. **Sec. 9.** This act shall take effect July 1, 1993.