
SENATE BILL 5002

State of Washington

53rd Legislature

1993 Regular Session

By Senators Nelson, Winsley, Hochstatter, Oke, Roach and McCaslin

Read first time 01/11/93. Referred to Committee on Ways & Means.

1 AN ACT Relating to dedicating lottery proceeds to the common
2 schools; and amending RCW 67.70.040 and 67.70.240.

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

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

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

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

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

- 1 (b) The price, or prices, of tickets or shares in the lottery;
- 2 (c) The numbers and sizes of the prizes on the winning tickets or
3 shares;
- 4 (d) The manner of selecting the winning tickets or shares;
- 5 (e) The manner and time of payment of prizes to the holder of
6 winning tickets or shares which, at the director's option, may be paid
7 in lump sum amounts or installments over a period of years;
- 8 (f) The frequency of the drawings or selections of winning tickets
9 or shares, without limitation;
- 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;
- 13 (i) The licensing of agents to sell or distribute tickets or
14 shares, except that a person under the age of eighteen shall not be
15 licensed as an agent;
- 16 (j) The manner and amount of compensation, if any, to be paid
17 licensed sales agents necessary to provide for the adequate
18 availability of tickets or shares to prospective buyers and for the
19 convenience of the public;
- 20 (k) The apportionment of the total revenues accruing from the sale
21 of lottery tickets or shares and from all other sources among: (i) The
22 payment of prizes to the holders of winning tickets or shares, which
23 shall not be less than forty-five percent of the gross annual revenue
24 from such lottery, less amounts of unclaimed prizes deposited in the
25 general fund under RCW 67.70.190 during the fiscal year ending June 30,
26 1989, (ii) transfers to the lottery administrative account created by
27 RCW 67.70.260, and (iii) transfer to the state's general fund for the
28 support of the common schools. Transfers to the state general fund
29 shall be made in compliance with RCW 43.01.050;
- 30 (l) Such other matters necessary or desirable for the efficient and
31 economical operation and administration of the lottery and for the
32 convenience of the purchasers of tickets or shares and the holders of
33 winning tickets or shares.
- 34 (2) To ensure that in each place authorized to sell lottery tickets
35 or shares, on the back of the ticket or share, and in any advertising
36 or promotion there shall be conspicuously displayed an estimate of the
37 probability of purchasing a winning ticket.
- 38 (3) To amend, repeal, or supplement any such rules from time to
39 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.

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

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

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

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