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HOUSE BILL 2732

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State of Washington                      61st Legislature                      2010 Regular Session

By Representatives Ericks and Condotta

Read first time 01/13/10. Referred to Committee on Commerce & Labor.

1            AN ACT Relating to registration of lottery tickets and shares;  
2 amending RCW 67.70.040; and creating a new section.

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

4            NEW SECTION.    **Sec. 1.** The legislature finds that some lottery game  
5 promotions involve second chance drawings of nonwinning tickets for  
6 promotional prizes, and that players may register for these second  
7 chance drawings by mailing their nonwinning ticket using the United  
8 States postal service. The legislature further finds that to enhance  
9 player opportunities and increase the number of games offered, players  
10 should be allowed to register for second chance drawings using the  
11 internet. The legislature finds that because registration is not a  
12 sale and therefore does not constitute gambling, allowing internet  
13 registration does not in any way modify the prohibition against the  
14 sale of tickets or shares over the internet.

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

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

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

8 (a) The type of lottery to be conducted which may include the  
9 selling of tickets or shares, but such tickets or shares may not be  
10 sold over the internet. Previously purchased tickets and shares that  
11 secondarily allow for voluntary registration of those tickets or shares  
12 for the opportunity to receive additional prizes at no additional cost  
13 may be registered via the internet and such registration does not  
14 constitute a sale. The awarding of a prize may not be conducted via  
15 the internet. The use of electronic or mechanical devices or video  
16 terminals which allow for individual play against such devices or  
17 terminals shall be prohibited. An affirmative vote of sixty percent of  
18 both houses of the legislature is required before offering any game  
19 allowing or requiring a player to become eligible for a prize or to  
20 otherwise play any portion of the game by interacting with any device  
21 or terminal involving digital, video, or other electronic  
22 representations of any game of chance, including scratch tickets, pull-  
23 tabs, bingo, poker or other cards, dice, roulette, keno, or slot  
24 machines. Approval of the legislature shall be required before  
25 entering any agreement with other state lotteries to conduct shared  
26 games;

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

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

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

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

35 (f) The frequency of the drawings or selections of winning tickets  
36 or shares. Approval of the legislature is required before conducting  
37 any online game in which the drawing or selection of winning tickets  
38 occurs more frequently than once every twenty-four hours;

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

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

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

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

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

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

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

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

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

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