<u>NEW SECTION.</u> Sec. 2. The department of revenue shall amend any investment tax deferral certificates to conform with this 1982 act.

Passed the House June 27, 1982. Passed the Senate June 27, 1982. Approved by the Governor July 16, 1982. Filed in Office of Secretary of State July 16, 1982.

CHAPTER 7

[House Bill No. 1251] STATE LOTTERY

AN ACT Relating to the establishment and operation of a state lottery; creating new sections; adding a new chapter to Title 67 RCW; adding a new section to chapter 9.46 RCW; providing an expiration date; providing penaltics; making appropriations; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Section 1. For the purposes of this chapter:

(1) "Commission" means the state lottery commission established by this chapter;

(2) "Lottery" or "state lottery" means the lottery established and operated pursuant to this chapter;

(3) "Director" means the director of the state lottery commission established by this chapter.

<u>NEW SECTION.</u> Sec. 2. The state gambling commission shall provide such services as are required by the state lottery commission to implement the provisions of this chapter. However, the costs of such services shall be paid for from moneys placed within the revolving fund created by section 26 of this act.

<u>NEW SECTION.</u> Sec. 3. There is created the state lottery commission to consist of five members appointed by the governor with the consent of the senate. Of the initial members, one shall serve a term of two years, one shall serve a term of three years, one shall serve a term of four years, one shall serve a term of five years, and one shall serve a term of six years. Their successors, all of whom shall be citizen members appointed by the governor with the consent of the senate, upon being appointed and qualified, shall serve six-year terms. No member of the commission who has served a full six-year term is eligible for reappointment. In case of a vacancy, it shall be filled by appointment by the governor for the unexpired portion of the term in which the vacancy occurs.

The governor shall designate one member of the commission to serve as chairman at the governor's pleasure.

A majority of the members shall constitute a quorum for the transaction of business.

<u>NEW SECTION.</u> Sec. 4. The commission shall have the power, and it shall be its duty:

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

(a) The type of lottery to be conducted which may include the selling of tickets or shares, or the use of electronic or mechanical devices or video terminals which do not require a printed ticket;

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

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

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

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

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

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

(h) The method to be used in selling tickets or shares, which may include the use of electronic or mechanical devices and video terminals;

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

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

(k) The apportionment of the total revenues accruing from the sale of lottery tickets or shares and from all other sources among: (i) The payment of prizes to the holders of winning tickets or shares, which shall not be less than forty-five percent of the gross annual revenue from such lottery, (ii) the payment of costs incurred in the operation and administration of the lottery, including the expenses of the lottery and the costs resulting from any contract or contracts entered into for promotional, advertising, or operational services or for the purchase or lease of lottery equipment and materials, but the payment of such costs shall not exceed fifteen percent of the gross annual revenue from such lottery, (iii) for the repayment of any moneys appropriated to the state lottery fund pursuant to sections 36 and 37 of this act, and (iv) for transfer to the state's general fund: PROVIDED, That no less than forty percent of the gross annual revenue from the sale of lottery tickets or shares shall be transferred to the state general fund;

(1) Such other matters necessary or desirable for the efficient and economical operation and administration of the lottery and for the convenience

Ch. 7 WASHINGTON LAWS, 1982 2nd Ex. Sess.

of the purchasers of tickets or shares and the holders of winning tickets or shares.

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

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

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

<u>NEW SECTION.</u> Sec. 5. There is created the office of director of the state lottery. The director shall be appointed by the governor with the consent of the senate. The director shall serve at the pleasure of the governor and shall receive such salary as is determined by the governor, but in no case may the director's salary be more than ninety percent of the salary of the governor. The director shall:

(1) Supervise and administer the operation of the lottery in accordance with the provisions of this chapter and with the rules of the commission.

(2) Appoint such deputy and assistant directors as may be required to carry out the functions and duties of his office: PROVIDED, That the provisions of the state civil service law, chapter 41.06 RCW, shall not apply to such deputy and assistant directors.

(3) Appoint such professional, technical, and clerical assistants and employees as may be necessary to perform the duties imposed by this chapter: PROVIDED, That the provisions of the state civil service law, chapter 41-.06 RCW, shall not apply to such employees as are engaged in undercover audit or investigative work or security operations but shall apply to other employees appointed by the director, except as provided for in subsection (2) of this section.

(4) In accordance with the provisions of this chapter and the rules of the commission, license as agents to sell or distribute lottery tickets such per sons as in his opinion will best serve the public convenience and promote the sale of tickets or shares. The director may require a bond from every licensed agent, in such amount as provided in the rules of the commission. Every licensed agent shall prominently display his license, or a copy thereof, as provided in the rules of the commission. License fees may be established by the commission, and, if established, shall be deposited in the revolving fund created by section 26 of this act.

(5) Confer regularly as necessary or desirable with the commission on the operation and administration of the lottery; make available for inspection by the commission, upon request, all books, records, files, and other information and documents of the lottery; and advise the commission and recommend such matters as he deems necessary and advisable to improve the operation and administration of the lottery. proval of the commission: PROVIDED, That nothing in this chapter authorizes the director to enter into public contracts for the regular and permanent administration of the lottery after the initial development and implementation.

(7) Certify quarterly to the state treasurer, the legislative budget committee, and the commission a full and complete statement of lottery revenues, prize disbursements, and other expenses for the preceding quarter.

(8) Publish quarterly reports showing the total lottery revenues, prize disbursements, and other expenses for the preceding quarter, and make an annual report, which shall include a full and complete statement of lottery revenues, prize disbursements, and other expenses, to the governor and the legislature, and including such recommendations for changes in this chapter as the director deems necessary or desirable.

(9) Report immediately to the governor and the legislature any matters which require immediate changes in the laws of this state in order to prevent abuses and evasions of this chapter or rules promulgated thereunder or to rectify undesirable conditions in connection with the administration or operation of the lottery.

(10) Carry on a continuous study and investigation of the lottery throughout the state: (a) For the purpose of ascertaining any defects in this chapter or in the rules issued thereunder by reason whereof any abuses in the administration and operation of the lottery or any evasion of this chapter or the rules may arise or be practiced, (b) for the purpose of formulating recommendations for changes in this chapter and the rules promulgated thereunder to prevent such abuses and evasions, (c) to guard against the use of this chapter and the rules issued thereunder as a cloak for the carrying on of professional gambling and crime, and (d) to insure that this chapter and rules shall be in such form and be so administered as to serve the true purposes of this chapter.

(11) Make a continuous study and investigation of: (a) The operation and the administration of similar laws which may be in effect in other states or countries, (b) any literature on the subject which from time to time may be published or available, (c) any federal laws which may affect the operation of the lottery, and (d) the reaction of the citizens of this state to existing and potential features of the lottery with a view to recommending or effecting changes that will tend to serve the purposes of this chapter.

(12) Have all enforcement powers granted in chapter 9.46 RCW.

(13) Perform all other matters and things necessary to carry out the purposes and provisions of this chapter.

[1537]

<u>NEW SECTION.</u> Sec. 6. (1) The director or the director's authorized representative may:

(a) Make necessary public or private investigations within or outside of this state to determine whether any person has violated or is about to violate this chapter or any rule or order hereunder, or to aid in the enforcement of this chapter or in the prescribing of rules and forms hereunder; and

(b) Inspect the books, documents, and records of any person lending money to or in any manner financing any license holder or applicant for a license or receiving any income or profits from the use of such license for the purpose of determining compliance or noncompliance with the provisions of this chapter or the rules and regulations adopted pursuant thereto.

(2) For the purpose of any investigation or proceeding under this chapter, the director or an administrative law judge appointed under chapter 34.12 RCW may conduct hearings, administer oaths or affirmations, or upon the director's or administrative law judge's motion or upon request of any party may subpoena witnesses, compel attendance, take depositions, take evidence, or require the production of any matter which is relevant to the investigation or proceeding, including but not limited to the existence, description, nature, custody, condition, or location of any books, documents, or other tangible things, or the identity or location of persons having knowledge or relevant facts, or any other matter reasonably calculated to lead to the discovery of material evidence.

(3) Upon failure to obey a subpoena or to answer questions propounded by the administrative law judge and upon reasonable notice to all persons affected thereby, the director may apply to the superior court for an order compelling compliance.

(4) The administrative law judges appointed under chapter 34.12 RCW may conduct hearings respecting the suspension, revocation, or denial of licenses, may administer oaths, admit or deny admission of evidence, compel the attendance of witnesses, issue subpoenas, issue orders, and exercise all other powers and perform all other functions set out in RCW 34.04.090 (6) and (8), 34.04.100, and 34.04.105.

(5) Except as otherwise provided in this chapter, all proceedings under this chapter shall be in accordance with the administrative procedure act, chapter 34.04 RCW.

<u>NEW SECTION.</u> Sec. 7. No license as an agent to sell lottery tickets or shares may be issued to any person to engage in business exclusively as a lottery sales agent. Before issuing a license the director shall consider such factors as: (1) The financial responsibility and security of the person and his business or activity, (2) the accessibility of his place of business or activity to the public, (3) the sufficiency of existing licenses to serve the public convenience, and (4) the volume of expected sales. For purposes of this section, the term "person" means an individual, association, corporation, club, trust, estate, society, company, joint stock company, receiver, trustee, assignce, referee, or any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, and any combination of individuals. "Person" does not mean any department, commission, agency, or instrumentality of the state, or any county or municipality or any agency or instrumentality thereof, except for retail outlets of the state liquor control board.

<u>NEW SECTION.</u> Sec. 8. Any person licensed as provided in this chapter is hereby authorized and empowered to act as a lottery sales agent.

<u>NEW SECTION.</u> Sec. 9. The director may deny an application for, or suspend or revoke, after notice and hearing, any license issued pursuant to this chapter. Such license may, however, be temporarily suspended by the director without prior notice, pending any prosecution, investigation, or hearing. A license may be suspended or revoked or an application may be denied by the director for one or more of the following reasons:

(1) Failure to account for lottery tickets received or the proceeds of the sale of lottery tickets or to file a bond if required by the director or to comply with the instructions of the director concerning the licensed activity;

(2) For any of the reasons or grounds stated in RCW 9.46.075 or violation of this chapter or the rules of the commission;

(3) Failure to file any return or report or to keep records or to pay any tax required by this chapter;

(4) Fraud, deceit, misrepresentation, or conduct prejudicial to public confidence in the state lottery;

(5) That the number of lottery tickets sold by the lottery sales agent is insufficient to meet administrative costs, or that public convenience is adequately served by other licensees;

(6) A material change, since issuance of the license with respect to any matters required to be considered by the director under section 7 of this act.

For the purpose of reviewing any application for a license and for considering the denial, suspension, or revocation of any license the director may consider any prior criminal conduct of the applicant or licensee and the provisions of RCW 9.95.240 and of chapter 9.96A RCW shall not apply to such cases.

<u>NEW SECTION.</u> Sec. 10. No right of any person to a prize drawn is assignable, except that payment of any prize drawn may be paid to the estate of a deceased prize winner, and except that any person pursuant to an appropriate judicial order may be paid the prize to which the winner is entitled. The commission and the director shall be discharged of all further liability upon payment of a prize pursuant to this section.

<u>NEW SECTION.</u> Sec. 11. A person shall not sell a ticket or share at a price greater than that fixed by rule of the commission. No person other

Ch. 7 WASHINGTON LAWS, 1982 2nd Ex. Sess.

than a licensed lottery sales agent shall sell lottery tickets, except that nothing in this section prevents any person from giving lottery tickets or shares to another as a gift.

<u>NEW SECTION.</u> Sec. 12. A ticket or share shall not be sold to any person under the age of eighteen, but this shall not be deemed to prohibit the purchase of a ticket or share for the purpose of making a gift by a person eighteen years of age or older to a person less than that age. Any licensee who knowingly sells or offers to sell a lottery ticket or share to any person under the age of eighteen is guilty of a misdemeanor. In the event that a person under the age of eighteen years directly purchases a ticket in violation of this section, no prize will be paid to such person and the prize money otherwise payable on the ticket will be treated as unclaimed pursuant to section 19 of this act.

<u>NEW SECTION.</u> Sec. 13. A person shall not alter or forge a lottery ticket. A person shall not claim a lottery prize or share of a lottery prize by means of fraud, deceit, or misrepresentation. A person shall not conspire, aid, abet, or agree to aid another person or persons to claim a lottery prize or share of a lottery prize by means of fraud, deceit, or misrepresentation.

A violation of this section is a felony.

<u>NEW SECTION.</u> Sec. 14. Any person who conducts any activity for which a license is required by this chapter, or by rule of the commission, without the required license, is guilty of a felony. If any corporation conducts any activity for which a license is required by this chapter, or by rule of the commission, without the required license, it may be punished by forfeiture of its corporate charter, in addition to the other penalties set forth in this section.

<u>NEW SECTION.</u> Sec. 15. Whoever, in any application for a license or in any book or record required to be maintained or in any report required to be submitted, makes any false or misleading statement, or makes any false or misleading entry or wilfully fails to maintain or make any entry required to be maintained or made, or who wilfully refuses to produce for inspection any book, record, or document required to be maintained or made by federal or state law is guilty of a gross misdemeanor.

<u>NEW SECTION.</u> Sec. 16. Any person who violates any provision of this chapter for which no penalty is otherwise provided, or knowingly causes, aids, abets, or conspires with another to cause any person to violate any provision of this chapter is guilty of a class C felony, except where other penalties are specifically provided for in this chapter.

<u>NEW SECTION.</u> Sec. 17. Any person who violates any rule adopted pursuant to this chapter for which no penalty is otherwise provided, or knowingly causes, aids, abets, or conspires with another to cause any person to violate any rule adopted pursuant to this chapter is guilty of a gross misdemeanor, except where other penalties are specifically provided for in this chapter.

<u>NEW SECTION.</u> Sec. 18. A ticket or share shall not be purchased by, and a prize shall not be paid to any member or employee of the commission or to any spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of abode of any member or employee of the commission.

A violation of this section is a misdemeanor.

<u>NEW SECTION.</u> Sec. 19. Unclaimed prizes shall be retained in the state lottery fund for the person entitled thereto for one hundred eighty days after the drawing in which the prize is won. If no claim is made for the prize within this time, the prize shall be retained in the state lottery fund for further use as prizes and all rights to the prize shall be extinguished.

<u>NEW SECTION.</u> Sec. 20. The director, in his discretion, may require any or all lottery sales agents to deposit to the credit of the state lottery fund in banks designated by the state treasurer, all moneys received by such agents from the sale of lottery tickets or shares, less the amount, if any, retained as compensation for the sale of the tickets or shares, and to file with the director or his designated agents, reports of their receipts and transactions in the sale of lottery tickets in such form and containing such information as he may require. The director may make such arrangements for any person, including a bank, to perform such functions, activities, or services in connection with the operation of the lottery as he or she may deem advisable pursuant to this chapter and the rules of the commission, and such functions, activities, or services shall constitute lawful functions, activities, and services of such person.

<u>NEW SECTION.</u> Sec. 21. No other law, including chapter 9.46 RCW, providing any penalty or disability for the sale of lottery tickets or any acts done in connection with a lottery applies to the sale of tickets or shares performed pursuant to this chapter.

<u>NEW SECTION.</u> Sec. 22. If the person entitled to a prize is under the age of eighteen years, and such prize is less than five thousand dollars, the director may direct payment of the prize by delivery to an adult member of the minor's family or a guardian of the minor of a check or draft payable to the order of such minor. If the person entitled to a prize is under the age of eighteen years, and such prize if five thousand dollars or more, the director may direct payment to such minor by depositing the amount of the prize in any bank to the credit of an adult member of the minor's family or a guardian of the minor as custodian for such minor. The person so named as custodian shall have the same duties and powers as a person designated as a custodian in a manner prescribed by the Washington uniform gifts to minors act, chapter 21.24 RCW, and for the purposes of this section the terms

"adult member of a minor's family," "guardian of a minor," and "bank" shall have the same meaning as in chapter 21.24 RCW. The commission and the director shall be discharged of all further liability upon payment of a prize to a minor pursuant to this section.

<u>NEW SECTION.</u> Sec. 23. There is hereby created and established a separate fund, to be known as the state lottery fund. Such fund shall be managed, maintained, and controlled by the commission and shall consist of all revenues received from the sale of lottery tickets or shares, and all other moneys credited or transferred thereto from any other fund or source pursuant to law. The fund shall be a separate fund outside the state treasury. No appropriation is required to permit expenditures and payment of obligations from the fund.

<u>NEW SECTION.</u> Sec. 24. The moneys in the state lottery fund shall be used only: (1) For the payment of prizes to the holders of winning lottery tickets or shares; (2) for purposes of making deposits into the reserve account created by section 25 of this act and into the revolving fund created by section 26 of this act; (3) for purposes of making deposits into the state's general fund; and (4) for the repayment of the amounts appropriated to the fund pursuant to sections 36 and 37 of this act.

<u>NEW SECTION.</u> Sec. 25. If the director decides to pay any portion of or all of the prizes in the form of installments over a period of years, the director shall provide for the payment of all such installments by one, but not both, of the following methods:

(1) The director may enter into contracts with any financially responsible person or firm providing for the payment of such installments; or

(2) The director may establish and maintain a reserve account into which shall be placed sufficient moneys for the director to pay such installments as they become due. Such reserve account shall be maintained as a separate and independent fund outside the state treasury.

<u>NEW SECTION.</u> Sec. 26. There is hereby created a revolving fund into which shall be deposited sufficient money to provide for the payment of the costs incurred in the operation and administration of the lottery. The amount expended annually from the revolving fund shall never exceed fifteen percent of the gross annual revenue accruing from the sale of lottery tickets or shares. Such revolving fund shall be managed, controlled, and maintained by the director and shall be a separate and independent fund outside the state treasury. No appropriation is required to permit expenditures and payment of obligations from the fund.

<u>NEW SECTION.</u> Sec. 27. Each member of the commission shall receive compensation of one hundred dollars per day for each day actually spent in the performance of duties, and actual necessary traveling and other expenses in going to, attending, and returning from meetings of the commission, and actual and necessary traveling and other expenses incurred in the discharge of such duties as may be requested by a majority vote of the commission or by the director.

<u>NEW SECTION.</u> Sec. 28. The provisions of the administrative procedure act, chapter 34.04 RCW, shall apply to administrative actions taken by the commission or the director pursuant to this chapter.

<u>NEW SECTION.</u> Sec. 29. The state auditor shall conduct an annual post-audit of all accounts and transactions of the lottery and such other special post-audits as he may be directed to conduct pursuant to chapter 43.09 RCW.

<u>NEW SECTION.</u> Sec. 30. The attorney general may investigate violations of this chapter, and of the criminal laws within this state, by the commission or its employees, licensees, or agents, in the manner prescribed for criminal investigations in RCW 43.10.090.

<u>NEW SECTION.</u> Sec. 31. The director of financial management may conduct a management review of the commission's lottery operations to assure that:

(1) The manner and time of payment of prizes to the holder of winning tickets or shares is consistent with this chapter and the rules adopted under this chapter;

(2) The apportionment of total revenues accruing from the sale of lottery tickets or shares and from all other sources is consistent with this chapter;

(3) The manner and type of lottery being conducted, and the expenses incidental thereto, are the most efficient and cost-effective; and

(4) The commission is not unnecessarily incurring operating and administrative costs.

In conducting a management review, the director of financial management may inspect the books, documents, and records of the commission. Upon completion of a management review, all irregularities shall be reported to the attorney general, the legislative budget committee, and the state auditor. The director of financial management shall make such recommendations as may be necessary for the most efficient and cost-effective operation of the lottery.

<u>NEW SECTION.</u> Sec. 32. The director of financial management shall select a certified public accountant to verify that:

(1) The manner of selecting the winning tickets or shares is consistent with this chapter; and

(2) The manner and time of payment of prizes to the holder of winning tickets or shares is consistent with this chapter. The cost of these services shall be paid from moneys placed within the revolving fund created in section 26 of this act.

<u>NEW SECTION.</u> Sec. 33. The director shall have the power to enforce this chapter and the penal laws of this state relating to the conduct of or

participation in lottery activities and the manufacturing, importation, transportation, distribution, possession, and sale of equipment or paraphernalia used or for use in connection therewith. The director, the deputy director, assistant directors, and each of the commission's investigators, enforcement officers, and inspectors shall have the power to enforce this chapter and the penal laws of this state relating to the conduct of or participation in lottery activities and the manufacturing, importation, transportation, distribution, possession, and sale of equipment or paraphernalia used or for use in connection therewith. They shall have the power and authority to apply for and execute all warrants and serve process of law issued by the courts in enforcing the penal provisions of this chapter and the penal laws of this state relating to the conduct of or participation in lottery activities and the manufacturing, importation, transportation, distribution, possession, and sale of equipment or paraphernalia used or for use in connection therewith. They shall have the power to arrest without a warrant, any person or persons found in the act of violating any of the penal provisions of this chapter and the penal laws of this state relating to the conduct of or participation in lottery activities and the manufacturing, importation, transportation, distribution, possession, and sale of equipment or paraphernalia used or for use in connection therewith. To the extent set forth in this section, the commission shall be a law enforcement agency of this state with the power to investigate for violations of and to enforce the provisions of this chapter and to obtain information from and provide information to all other law enforcement agencies.

<u>NEW SECTION.</u> Sec. 34. This chapter shall expire July 1, 1987, unless extended by law. The legislative budget committee shall evaluate the effectiveness of this chapter. The final report of the evaluation shall be available to the legislature at least six months prior to the scheduled termination date. The report shall include, but is not limited to, objective findings of fact, conclusions, and recommendations as to continuation, modification, or termination of this chapter.

<u>NEW SECTION.</u> Sec. 35. This act shall be liberally construed to carry out the purposes and policies of the act.

<u>NEW SECTION.</u> Sec. 36. There is hereby appropriated to the state lottery fund from the gambling commission revolving fund the sum of one million five hundred thousand dollars, or so much thereof as may be necessary, for carrying out the purposes of sections 1 through 34 of this act. Such appropriation shall be repaid to the gambling commission revolving fund as soon as practicable from the net revenues accruing in the state lottery fund after the payment of prizes to holders of winning tickets or shares and expenses of the lottery. The appropriation in this section is not subject to the percent limitations imposed under sections 4 and 26 of this act. <u>NEW SECTION.</u> Sec. 37. If the appropriation in section 36 of this act is insufficient or inadequate, there is appropriated from the general fund to the state lottery fund for the biennium ending June 30, 1983, the sum of one million five hundred thousand dollars, or so much thereof as may be necessary, to carry out the purposes of sections 1 through 34 of this act. Such appropriation shall be repaid to the general fund as soon as practicable from the net revenues accruing in the state lottery fund after the payment of prizes to holders of winning tickets or shares and expenses of the lottery. The appropriation in this section is not subject to the percent limitations imposed under sections 4 and 26 of this act.

<u>NEW SECTION.</u> Sec. 38. Sections 1 through 34 of this act shall constitute a new chapter in Title 67 RCW.

<u>NEW SECTION.</u> Sec. 39. There is added to chapter 9.46 RCW a new section to read as follows:

The provisions of this chapter shall not apply to the conducting, operating, participating, or selling or purchasing of tickets or shares in the "lottery" or "state lottery" as defined in section 1 of this act when such conducting, operating, participating, or selling or purchasing is in conformity to the provisions of sections 1 through 34 of this act and to the rules adopted thereunder.

<u>NEW SECTION.</u> Sec. 40. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

<u>NEW SECTION.</u> Sec. 41. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House June 30, 1982. Passed the Senate July 1, 1982. Approved by the Governor July 16, 1982. Filed in Office of Secretary of State July 16, 1982.

CHAPTER 8

[House Bill No. 1253]

CAPITOL PURCHASE AND DEVELOPMENT ACCOUNT—RENTS OR SALES RECEIVED FROM HARBOR AREAS OR TIDELANDS—LIMITATIONS REMOVED

AN ACT Relating to the capitol purchase and development account; amending section 1, chapter 170, Laws of 1913 as last amended by section 2, chapter 105, Laws of 1967 ex. sess. and RCW 79.16.180; amending section 79, chapter 21, Laws of 1982 1st ex. sess. and RCW 79.___; amending section 9, chapter 167, Laws of 1961 as last amended by