of this section is economically and operationally feasible and consistent with federal law, the commission may:

- (a) Issue and sell revenue bonds under the provisions of this chapter for the purpose of constructing the facilities described in subsection (1) of this section; and
- (b) Impose and collect tolls on the facilities for the purpose of funding the revenue bonds issued under this section.
- (3) The commission shall seek additional funding for the bridge from local sources, including the city, county, and port district. Any funding obtained from local sources shall be matched by an equal amount of category C state funds under chapter 47.05 RCW.

NEW SECTION. Sec. 2. The city of Seattle is authorized to conduct a study, to be paid for wholly from city funds, to determine the operational feasibility and consistency with federal law of charging tolls on the First Avenue South Bridge on State Route 99. The study is to be conducted in cooperation with the department of transportation. If the city of Seattle and the department of transportation determine that the charging of tolls is feasible and consistent with federal law, then the city is authorized to charge reasonable tolls and to construct, operate and maintain toll collection facilities on the bridge.

The toll collection revenues less the costs of collection shall be placed in a separate account solely for the purpose of financial participation with the state and other local governmental entities in the construction, when commenced by the department of transportation, of a new parallel bridge and approaches on First Avenue South in Seattle, together with reconstruction of approaches to the existing bridge and connections to existing city street systems as necessary. Interest generated by funds within the account shall be credited to that account in their entirety.

Passed the Senate April 20, 1987.

Passed the House April 14, 1987.

Approved by the Governor May 19, 1987.

Filed in Office of Secretary of State May 19, 1987.

## CHAPTER 511

[Engrossed Substitute House Bill No. 26]
LOTTERY—COMMISSION AND DIRECTOR POWERS AND DUTIES MODIFIED—
EXPIRATION DATE OF STATUTE EXTENDED

AN ACT Relating to the lottery; amending RCW 67.70.010, 67.70.040, 67.70.050, 67.70.055, 67.70.070, 67.70.120, 67.70.180, 67.70.190, 67.70.200, 67.70.240, 67.70.250, 67.70.260, 67.70.300, 67.70.320, 67.70.330, and 67.70.900; repealing RCW 67.70.020; prescribing penalties; and declaring an emergency.

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

Sec. 1. Section 1, chapter 7, Laws of 1982 2nd ex. sess. and RCW 67-.70.010 are each amended to read as follows:

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.
- \*Sec. 2. Section 4, chapter 7, Laws of 1982 2nd ex. sess. as amended by section 1, chapter 375, Laws of 1985 and RCW 67.70.040 are each amended to read as follows:

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: PROVIDED, That approval of the legislature shall be required before entering any agreement with other state lotteries to conduct shared games;
  - (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;
- (e) 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)) be equal to forty-five percent of the gross annual revenue from such lottery, (ii) transfers to the lottery administrative account created by RCW 67.70.260, and (iii) transfer to the state's general fund. Transfers to the state general fund shall be made in compliance with RCW 43.01.050;

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

## \*Sec. 2 was partially vetoed, see message at end of chapter.

Sec. 3. Section 5, chapter 7, Laws of 1982 2nd ex. sess. as last amended by section 21, chapter 158, Laws of 1986 and RCW 67.70.050 are each amended to read as follows:

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 persons 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))

<u>any</u> 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 state lottery account created by RCW 67.70.230.

- (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.
- (6) Subject to the applicable laws relating to public contracts, enter into contracts for the operation of the lottery, or any part thereof, and into contracts for the promotion of the lottery. No contract awarded or entered into by the director may be assigned by the holder thereof except by specific approval 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 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) The operation of an additional game or games for the benefit of a particular program or purpose, (c) any literature on the subject which from time to time may be published or available, (((c))) (d) any federal laws which may affect the operation of the lottery, and (((d))) (e) 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.
- Sec. 4. Section 2, chapter 4, Laws of 1986 and RCW 67.70.055 are each amended to read as follows:

The director, deputy directors, ((and)) any assistant directors, and employees of the state lottery and ((a)) members ((or employee)) of the lottery commission shall not:

- (1) Serve as an officer or manager of any corporation or organization which conducts a lottery or gambling activity;
- (2) Receive or share in, directly or indirectly, the gross profits of any lottery or other gambling activity regulated by the gambling commission;
- (3) Be beneficially interested in any contract for the manufacture or sale of gambling devices, the conduct of a lottery or other gambling activity, or the provision of independent consultant services in connection with a lottery or other gambling activity.
- \*Sec. 5. Section 7, chapter 7, Laws of 1982 2nd ex. sess. and RCW 67.70.070 are each amended to read as follows:

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, and (5) conformance to local zoning codes.

Before issuing a license, the director shall provide written notice to the executive bodies of the counties, cities, and towns in which the person requesting a license proposes to sell tickets. If the appropriate executive body notifies the lottery within thirty days that the location to be licensed is not in conformance with local zoning codes, the director shall deny the license.

For purposes of this section, the term "person" means an individual, association, corporation, club, trust, estate, society, company, joint stock company, receiver, trustee, assignee, 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.

\*Sec. 5 was vetoed, see message at end of chapter.

Sec. 6. Section 12, chapter 7, Laws of 1982 2nd ex. sess. and RCW 67.70.120 are each amended to read as follows:

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, that person is guilty of a misdemeanor. No prize will be paid to such person and the prize money otherwise payable on the ticket will be treated as unclaimed pursuant to RCW 67.70.190.

Sec. 7. Section 18, chapter 7, Laws of 1982 2nd ex. sess. and RCW 67.70.180 are each amended to read as follows:

A ticket or share shall not be purchased by, and a prize shall not be paid to any member of the commission, the director, or an employee of the ((commission)) lottery 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 of the commission, the director or an employee of the ((commission)) lottery.

A violation of this section is a misdemeanor.

Sec. 8. Section 19, chapter 7, Laws of 1982 2nd ex. sess. and RCW 67.70.190 are each amended to read as follows:

Unclaimed prizes shall be retained in the state lottery ((fund)) account for the person entitled thereto for one hundred eighty days after the drawing in which the prize is won, or after the official end of the game for instant prizes. 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.

Sec. 9. Section 20, chapter 7, Laws of 1982 2nd ex. sess. and RCW 67.70.200 are each amended to read as follows:

The director, in his discretion, may require any or all lottery sales agents to deposit to the credit of the state lottery ((fund)) account 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.

\*Sec. 10. Section 24, chapter 7, Laws of 1982 2nd ex. sess. as amended by section 5, chapter 375, Laws of 1985 and RCW 67.70.240 are each amended to read as follows:

The moneys in the state lottery account 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 RCW 67-.70.250 ((and)); (3) for purposes of making deposits into the lottery administrative account created by RCW 67.70.260; (((3))) (4) for purposes of making deposits into the state's general fund((; (4) for the purchase and promotion of lottery games and game-related services)); and (5) for the payment of agent compensation. Payments and deposits under subsections (1) and (2) of this section shall not exceed forty-five percent of the gross annual revenue from the lottery.

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

\*Sec. 10 was vetoed, see message at end of chapter.

Sec. 11. Section 25, chapter 7, Laws of 1982 2nd ex. sess. and RCW 67.70.250 are each amended to read as follows:

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 for any specific lottery game 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.
- \*Sec. 12. Section 26, chapter 7, Laws of 1982 2nd ex. sess. as amended by section 6, chapter 375, Laws of 1985 and RCW 67.70.260 are each amended to read as follows:

There is hereby created the lottery administrative account in the state treasury. The account shall be managed, controlled, and maintained by the director. The legislature may appropriate from the account for the payment

of costs incurred in the operation and administration of the lottery, including costs of the purchase and promotion of lottery games and game-related services.

\*Sec. 12 was vetoed, see message at end of chapter.

Sec. 13. Section 30, chapter 7, Laws of 1982 2nd ex. sess. and kCW 67.70,300 are each amended to read as follows:

The attorney general may investigate violations of this chapter, and of the criminal laws within this state, by the commission, the director, or ((its)) the director's employees, licensees, or agents, in the manner prescribed for criminal investigations in RCW 43.10.090.

Sec. 14. Section 32, chapter 7, Laws of 1982 2nd ex. sess. and RCW 67.70.320 are each amended to read as follows:

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)) lottery administrative account created in RCW 67.70.260.

Sec. 15. Section 33, chapter 7, Laws of 1982 2nd ex. sess. and RCW 67.70.330 are each amended to read as follows:

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)) director'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)) office of the director 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.

Sec. 16. Section 34, chapter 7, Laws of 1982 2nd ex. sess. and RCW 67.70.900 are each amended to read as follows:

This chapter shall expire July 1, ((1987)) 1992, 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.

NEW SECTION. Sec. 17. Section 2, chapter 7, Laws of 1982 2nd ex. sess. and RCW 67.70.020 are each repealed.

NEW SECTION. Sec. 18. 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 April 23, 1987.

Passed the Senate April 20, 1987.

Approved by the Governor May 19, 1987, with the exception of certain items which were vetoed.

Filed in Office of Secretary of State May 19, 1987.

Note: Governor's explanation of partial veto is as follows:

"1 am returning herewith, without my approval as to sections 2(1)(k), 5, 10 and 12, Engrossed Substitute House Bill No. 26, entitled:

"AN ACT Relating to the lottery."

Section 2(1)(k) and portions of section 10 would require the Lottery to pay out exactly 45% of revenue as prizes. This requirement is technically impractical, since it is not possible to predict when Lotto prizes will be won. The present language requiring prize payments "not be less than forty-five percent" is preferable.

Section 5 requires the Lottery to notify local governments prior to the licensing of a business to sell lottery tickets, and provides for the denial of a license if the business is a non-conforming use. The Lottery currently has 3,900 retail outlets and issues approximately 600 new licenses per year. Notification of the appropriate executive bodies would place an unreasonable administrative burden on the agency. To address the needs of local governments, the Lottery has developed procedures that require prospective licensees to obtain permission from the local executive body if they are non-conforming uses.

Sections 10 and 12 require that costs of advertising and game-related services be appropriated. The current system under which these costs are budgeted and allotted, but not appropriated, has been satisfactory. The restriction would deny the Lottery the flexibility it needs to carry out its program and respond to changing conditions.

With the exception of Sections 2(1)(k), 5, 10 and 12, Engrossed Substitute House Bill No. 26 is approved."

## CHAPTER 512

## [Substitute House Bill No. 129] OMNIBUS CREDENTIALING ACT FOR COUNSELORS

AN ACT Relating to counselors, social workers, mental health counselors, and marriage and family therapists; amending RCW 26.44.030; reenacting and amending RCW 18.120.020 and 18.130.040; adding a new chapter to Title 18 RCW; adding new sections to chapter 43.131 RCW; making appropriations; and providing an expiration date.

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

NEW SECTION. Sec. 1. The qualifications and practices of counselors in this state are virtually unknown to potential clients. Beyond the regulated practices of psychiatry and psychology, there are a considerable variety of disciplines, theories, and techniques employed by other counselors under a number of differing titles. The legislature recognizes the right of all counselors to practice their skills freely, consistent with the requirements of the public health and safety, as well as the right of individuals to choose which counselors best suit their needs and purposes. This chapter shall not be construed to require or prohibit that individual or group policies or contracts of an insurance carrier, health care service contractor, or health maintenance organization provide benefits or coverage for services and supplies provided by a person registered or certified under this chapter.

NEW SECTION. Sec. 2. No person may, for a fee or as a part of his or her position as an employee of a state agency, practice counseling without being registered to practice by the department of licensing under this chapter unless exempt under section 4 of this act. No person may represent himself or herself as a certified social worker, certified mental health counselor, or certified marriage and family therapist without being so certified by the department of licensing under this chapter.

<u>NEW SECTION.</u> Sec. 3. Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

- (1) "Certified marriage and family therapist" means a person certified to practice marriage and family therapy pursuant to section 14 of this act.
- (2) "Certified mental health counselor" means a person certified to practice mental health counseling pursuant to section 13 of this act.
- (3) "Certified social worker" means a person certified to practice social work pursuant to section 12 of this act.
- (4) "Client" means an individual who receives or participates in counseling or group counseling.
- (5) "Counseling" means employing any therapeutic techniques, including but not limited to social work, mental health counseling, marriage and family therapy, and hypnotherapy, for a fee that offer, assist or attempt to