H-1451.1

## SUBSTITUTE HOUSE BILL 1302

## State of Washington 66th Legislature 2019 Regular Session

**By** House Commerce & Gaming (originally sponsored by Representatives Kloba, Ryu, MacEwen, Reeves, Stanford, Vick, Kirby, Jenkin, Morgan, Appleton, Cody, Irwin, Davis, Bergquist, Jinkins, Ormsby, and Thai; by request of Gambling Commission)

READ FIRST TIME 02/06/19.

1 AN ACT Relating to gambling addiction; and amending RCW 9.46.071, 2 42.56.230, and 67.70.040.

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

4 **Sec. 1.** RCW 9.46.071 and 2005 c 369 s 9 are each amended to read 5 as follows:

6 (1) (a) The legislature recognizes that some individuals in this 7 state ((are problem or pathological gamblers)) have a gambling problem or gambling disorder. Because the state promotes 8 and 9 regulates gambling through the activities of the state lottery 10 commission, the Washington horse racing commission, and the 11 Washington state gambling commission, the state has the 12 responsibility to continue to provide resources for the support of services for problem gambling and ((pathological gamblers)) gambling 13 disorders. ((Therefore,)) 14

15 <u>(b)</u> The Washington state gambling commission, the Washington 16 horse racing commission, and the state lottery commission shall 17 jointly develop problem gambling and gambling disorder informational 18 signs ((concerning problem and pathological gambling)) which include 19 a toll-free hotline number for <u>individuals with a gambling</u> problem 20 ((and pathological gamblers)) or gambling disorder. The signs shall be placed in the establishments of gambling licensees, horse racing licensees, and lottery retailers. ((In addition,))

3 <u>(c) The Washington state gambling commission, the Washington</u> 4 horse racing commission, and the state lottery commission may also 5 contract with other qualified entities to provide public awareness, 6 training, and other services to ensure the intent of this section is 7 fulfilled.

8 (d) Individuals and families impacted by a gambling problem or gambling disorder will benefit from the availability of a uniform 9 10 self-exclusion program where people may voluntarily exclude themselves from gambling at multiple gambling establishments by 11 12 submitting one self-exclusion form to the state from one location for all gambling activities. Therefore, the Washington state gambling 13 commission must establish a statewide self-exclusion program for all 14 15 licensees. The commission has discretion in establishing the scope, process, and requirements of the self-exclusion program, including 16 17 denying, suspending, or revoking an application, license, or permit. However, the initial program must comply with the following minimum 18 19 requirements:

20 (i) The program must allow persons to voluntarily exclude 21 themselves from gambling at authorized gambling establishments that 22 offer house-banked social card games;

23 (ii) The program must have a process for federally recognized 24 Indian tribes or tribal enterprises that own gambling operations or 25 facilities with class III gaming compacts to voluntarily participate 26 in the self-exclusion program;

(iii) Any individual registered with the self-exclusion program 27 28 created under this section is prohibited from participating in gambling activities associated with this program and forfeits all 29 30 moneys and things of value obtained by the individual or owed to the individual by an authorized gambling establishment as a result of 31 prohibited wagers or gambling activities. The commission may adopt 32 rules for the forfeiture of any moneys or things of value, including 33 wagers, obtained by an authorized gambling establishment while an 34 individual is registered with the self-exclusion program created 35 36 under this section.

37 <u>Moneys and things of value forfeited under the self-exclusion</u> 38 <u>program must be distributed to the problem gambling account created</u> 39 in RCW 41.05.751 and/or a charitable or nonprofit organization that

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1 provides problem gambling services or increases awareness about

2 problem gambling pursuant to rules adopted by the commission; and

3 <u>(iv) The commission must adopt rules establishing the self-</u> 4 <u>exclusion program by June 30, 2021.</u>

5 <u>(e) An individual who participates in the self-exclusion program</u> 6 does not have a cause of action against the state of Washington, the 7 commission, or any gambling establishment, its employees, or officers 8 for any acts or omissions in processing or enforcing the requirements 9 of the self-exclusion program, including a failure to prevent an 10 individual from gambling at an authorized gambling establishment.

(f) Any personal information collected, stored, or accessed under the self-exclusion program may only be used for the administration of the self-exclusion program and may not be disseminated for any purpose other than the administration of the self-exclusion program.

(2) (a) During any period in which RCW 82.04.285(2) is in effect, the commission may not increase fees payable by licensees under its jurisdiction for the purpose of funding services for problem <u>gambling</u> and ((<u>pathological</u>)) gambling <u>disorder</u>. Any fee imposed or increased by the commission, for the purpose of funding these services, before July 1, 2005, ((<u>shall have</u>)) <u>has</u> no force and effect after July 1, 2005.

(b) During any period in which RCW 82.04.285(2) is not in effect:

(i) The commission, the Washington state horse racing commission, and the state lottery commission may contract for services, in addition to those authorized in subsection (1) of this section, to assist in providing for <u>problem gambling and gambling disorder</u> treatment ((<del>of problem and pathological gambling</del>)); and

(ii) The commission may increase fees payable by ((licenses)) <u>licensees</u> under its jurisdiction for the purpose of funding the <u>problem gambling and gambling disorder</u> services authorized in this section ((for problem and pathological gamblers)).

32 Sec. 2. RCW 42.56.230 and 2018 c 109 s 16 are each amended to 33 read as follows:

The following personal information is exempt from public inspection and copying under this chapter:

(1) Personal information in any files maintained for students in
 public schools, patients or clients of public institutions or public
 health agencies, or welfare recipients;

39 (2)(a) Personal information:

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(i) For a child enrolled in licensed child care in any files maintained by the department of children, youth, and families;

3 (ii) For a child enrolled in a public or nonprofit program 4 serving or pertaining to children, adolescents, or students, 5 including but not limited to early learning or child care services, 6 parks and recreation programs, youth development programs, and after-7 school programs; or

8 (iii) For the family members or guardians of a child who is 9 subject to the exemption under this subsection (2) if the family 10 member or guardian has the same last name as the child or if the 11 family member or guardian resides at the same address as the child 12 and disclosure of the family member's or guardian's information would 13 result in disclosure of the personal information exempted under 14 (a) (i) and (ii) of this subsection.

(b) Emergency contact information under this subsection (2) may be provided to appropriate authorities and medical personnel for the purpose of treating the individual during an emergency situation;

(3) Personal information in files maintained for employees,
appointees, or elected officials of any public agency to the extent
that disclosure would violate their right to privacy;

(4) Information required of any taxpayer in connection with the assessment or collection of any tax if the disclosure of the information to other persons would: (a) Be prohibited to such persons by RCW 84.08.210, 82.32.330, 84.40.020, 84.40.340, or any ordinance authorized under RCW 35.102.145; or (b) violate the taxpayer's right to privacy or result in unfair competitive disadvantage to the taxpayer;

(5) Credit card numbers, debit card numbers, electronic check numbers, card expiration dates, or bank or other financial information as defined in RCW 9.35.005 including social security numbers, except when disclosure is expressly required by or governed by other law;

33 (6) Personal and financial information related to a small loan or 34 any system of authorizing a small loan in RCW 31.45.093;

35 (7) (a) Any record used to prove identity, age, residential 36 address, social security number, or other personal information 37 required to apply for a driver's license or identicard.

(b) Information provided under RCW 46.20.111 that indicates thatan applicant declined to register with the selective service system.

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1 (c) Any record pertaining to a vehicle license plate, driver's license, or identicard issued under RCW 46.08.066 that, alone or in 2 combination with any other records, may reveal the identity of an 3 individual, or reveal that an individual is or was, performing an 4 undercover or covert law enforcement, confidential public health 5 6 work, public assistance fraud, or child support investigative activity. This exemption does not prevent the release of the total 7 number of vehicle license plates, drivers' licenses, or identicards 8 that, under RCW 46.08.066, an agency or department has applied for, 9 been issued, denied, returned, destroyed, lost, and reported for 10 11 misuse.

12 (d) Any record pertaining to a vessel registration issued under RCW 88.02.330 that, alone or in combination with any other records, 13 14 may reveal the identity of an individual, or reveal that an individual is or was, performing an undercover or covert law 15 enforcement activity. This exemption does not prevent the release of 16 17 the total number of vessel registrations that, under RCW 88.02.330, an agency or department has applied for, been issued, denied, 18 19 returned, destroyed, lost, and reported for misuse;

20 (8) All information related to individual claims resolution 21 structured settlement agreements submitted to the board of industrial 22 insurance appeals under RCW 51.04.063, other than final orders from 23 the board of industrial insurance appeals.

24 Upon request by the legislature, the department of licensing 25 shall provide a report to the legislature containing all of the 26 information in subsection (7)(c) and (d) of this section that is 27 subject to public disclosure;

(9) Voluntarily submitted information contained in a database that is part of or associated with enhanced 911 emergency communications systems, or information contained or used in emergency notification systems as provided under RCW 38.52.575 and 38.52.577; ((and))

(10) Until the person reaches eighteen years of age, information, otherwise disclosable under chapter 29A.08 RCW, that relates to a future voter, except for the purpose of processing and delivering ballots; and

37 (11) All information submitted by a person to the state, either 38 directly or through a state-licensed gambling establishment, or 39 Indian tribes, or tribal enterprises that own gambling operations or 40 facilities with class III gaming compacts, as part of the self1 exclusion program established in RCW 9.46.071 or 67.70.040 for people

2 with a gambling problem or gambling disorder.

3 Sec. 3. RCW 67.70.040 and 2006 c 290 s 3 are each amended to 4 read as follows:

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

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

13 (a) The type of lottery to be conducted which may include the selling of tickets or shares, but such tickets or shares may not be 14 15 sold over the internet. The use of electronic or mechanical devices or video terminals which allow for individual play against such 16 17 devices or terminals shall be prohibited. An affirmative vote of sixty percent of both houses of the legislature is required before 18 offering any game allowing or requiring a player to become eligible 19 20 for a prize or to otherwise play any portion of the game by 21 interacting with any device or terminal involving digital, video, or other electronic representations of any game of chance, including 22 23 scratch tickets, pull-tabs, bingo, poker or other cards, dice, 24 roulette, keno, or slot machines. Approval of the legislature shall 25 be required before entering any agreement with other state lotteries 26 to conduct shared games;

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(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, except31 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 34 paid in lump sum amounts or installments over a period of years;

35 (f) The frequency of the drawings or selections of winning 36 tickets or shares. Approval of the legislature is required before 37 conducting any online game in which the drawing or selection of 38 winning tickets occurs more frequently than once every twenty-four 39 hours; (g) Without limit as to number, the type or types of locations at
 which tickets or shares may be sold;

3 (h) The method to be used in selling tickets or shares, except as4 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;

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

(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 totime 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.

32 <u>(5)(a) By June 30, 2021, to adopt rules to establish a program</u> 33 <u>allowing a person to voluntarily exclude themselves from lottery</u> 34 <u>activities including, but not limited to:</u>

35 <u>(i) Enrolling in a player loyalty or reward program operated or</u> 36 <u>maintained by the lottery;</u>

37 (ii) Entering or winning any second chance lottery promotion; and 38 (iii) Claiming or receiving from the lottery any monetary, 39 promotional, or merchandise prize valued at more than six hundred 40 dollars. Monetary prizes valued at more than six hundred dollars must

1 be transferred to the problem gambling account created in RCW 41.05.751 after payment of any debts pursuant to RCW 67.70.255. 2 3 Promotional and merchandise prizes valued at more than six hundred dollars must be retained by the lottery. 4 (b) An individual who participates in the self-exclusion program 5 6 does not have a cause of action against the state of Washington, the 7 commission, or any licensed retailer, its employees, or officers for any acts or omissions in processing or enforcing the requirements of 8 9 the self-exclusion program.

10 (c) Any personal information collected, stored, or accessed under 11 the self-exclusion program may not be disseminated for any purpose 12 other than the administration of the self-exclusion program.

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