Office of Program Research

BILL ANALYSIS

Commerce & Labor Committee

HB 1636

Brief Description: Requiring revenue transfers for the treatment of pathological gambling.

Sponsors: Representatives Wood, Conway, Kenney, Hudgins, McCoy, Moeller, Edwards, Linville, Santos and Rockefeller.

Brief Summary of Proposed Substitute Bill

• Establishes a transfer of \$500,000 from the revenue of the multi-state lottery game to fund the pathological gambling treatment program.

Hearing Date: 2/10/03

Staff: Matt Cooper (786-7106).

Background:

The Lottery Commission (Commission) operates several lottery games. The revenue from these games is allocated to several accounts. The revenues from most games are paid first to education accounts and then to the general fund.

The first \$102 million of annual revenue from most lottery games is divided equally between the student achievement account and the education construction account. Funds in the student achievement account are used for education programs. The education construction account pays for school construction and renovation. Any annual lottery revenue beyond \$102 million is transferred to the general fund.

The revenue from the multi-state lottery game (sometimes referred to as "The Big Game" or "Mega-Millions") is transferred according to the same priorities as part of the \$102 million total, with one exception.

In 2002 the Legislature approved a one-time transfer of \$500,000 from the multi-state lottery revenue to the violence reduction and drug enforcement account to fund a treatment program for pathological gambling. The Department of Social and Health Services is responsible for administering this pathological gambling treatment program.

The revenue from the sports-theme scratch lottery tickets is transferred the stadium and

exhibition center account to pay the sports stadium bonds.

Summary of Proposed Substitute Bill:

The Lottery Commission must transfer \$500,000 from the multi-state lottery revenue to fund the Department of Social and Health Services pathological gambling treatment program.

Rules Authority: The bill does not contain provisions addressing the rule-making powers of an agency.

Appropriation: The bill transfers \$500,000 from the shared game lottery account to the violence reduction and drug enforcement account for treatment of pathological gambling.

Fiscal Note: Available.

Effective Date: The bill takes effect ninety days after adjournment of session in which bill is passed.