
SUBSTITUTE HOUSE BILL 2776

State of Washington 58th Legislature 2004 Regular Session

By House Committee on Commerce & Labor (originally sponsored by Representatives Cody, McCoy, Conway, Wood, Hudgins, Crouse, Kagi, Kenney, McMorris, Murray and McIntire)

READ FIRST TIME 02/06/04.

1 AN ACT Relating to the treatment of problem gambling; amending RCW
2 9.46.100, 67.70.230, and 43.20A.890; adding a new section to chapter
3 43.20A RCW; creating new sections; making an appropriation; and
4 providing an expiration date.

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

6 NEW SECTION. **Sec. 1.** (1) The legislature finds that:

7 (a) The costs to society of problem gambling include family
8 disintegration, criminal activity, and financial insolvencies;

9 (b) Problem gamblers suffer a higher incidence of addictive
10 disorders such as alcohol and substance abuse;

11 (c) Residents of the state of Washington have the opportunity to
12 participate in a variety of legal gambling activities. These include:
13 Horse racing, the state lottery, punch boards and pull-tabs, bingo,
14 card rooms, and gambling in casinos and bingo halls operated by Indian
15 tribes;

16 (d) A 1999 study funded by the Washington state lottery commission
17 found that five percent of adult residents of Washington state and
18 eight percent of adolescent residents could be classified as problem
19 gamblers; and

1 (e) There are no publicly or privately funded treatment programs
2 for problem gamblers in Washington state and a very limited number of
3 professionals trained in identification and treatment of the disorder.

4 (2) Therefore, it is the policy of the state of Washington to set
5 a dedicated source of funding to increase treatment services for
6 problem gamblers, training in the identification and treatment of
7 problem gambling, public awareness and education regarding problem
8 gambling, and specific education and treatment programs regarding
9 problem gambling for adolescents.

10 **Sec. 2.** RCW 9.46.100 and 2002 c 371 s 901 are each amended to read
11 as follows:

12 There is hereby created the gambling revolving fund which shall
13 consist of all moneys receivable for licensing, penalties, forfeitures,
14 and all other moneys, income, or revenue received by the commission.
15 The state treasurer shall be custodian of the fund. All moneys
16 received by the commission or any employee thereof, except for change
17 funds and an amount of petty cash as fixed by rule or regulation of the
18 commission, shall be deposited each day in a depository approved by the
19 state treasurer and transferred to the state treasurer to be credited
20 to the gambling revolving fund. Disbursements from the revolving fund
21 shall be on authorization of the commission or a duly authorized
22 representative thereof. In order to maintain an effective expenditure
23 and revenue control the gambling revolving fund shall be subject in all
24 respects to chapter 43.88 RCW but no appropriation shall be required to
25 permit expenditures and payment of obligations from such fund. All
26 expenses relative to commission business, including but not limited to
27 salaries and expenses of the director and other commission employees
28 shall be paid from the gambling revolving fund.

29 During the ~~((2001-2003))~~ 2003-2005 fiscal biennium, the
30 ~~((legislature may))~~ commission shall transfer five hundred thousand
31 dollars from the gambling revolving fund to the ~~((state general fund~~
32 ~~such amounts as reflect the excess fund balance of the fund and~~
33 ~~reductions made by the 2002 supplemental appropriations act for~~
34 ~~administrative efficiencies and savings))~~ problem gambling treatment
35 account created in section 5 of this act.

1 **Sec. 3.** RCW 67.70.230 and 1985 c 375 s 4 are each amended to read
2 as follows:

3 There is hereby created and established a separate account, to be
4 known as the state lottery account. Such account shall be managed,
5 maintained, and controlled by the commission and shall consist of all
6 revenues received from the sale of lottery tickets or shares, and all
7 other moneys credited or transferred thereto from any other fund or
8 source pursuant to law. The account shall be a separate account
9 outside the state treasury. No appropriation is required to permit
10 expenditures and payment of obligations from the account.

11 During the 2003-2005 fiscal biennium, the commission shall transfer
12 five hundred thousand dollars from the state lottery account, from
13 funds allotted for promotion of lottery games, to the problem gambling
14 treatment account created in section 5 of this act.

15 **Sec. 4.** RCW 43.20A.890 and 2002 c 349 s 4 are each amended to read
16 as follows:

17 (1) A program for: (a) The prevention and treatment of
18 ((pathological)) problem gambling; and (b) the training of
19 professionals in the identification and treatment of problem gambling
20 is established within the department of social and health services, to
21 be administered by a qualified person who has training and experience
22 in ((handling pathological)) problem gambling ((problems)) or the
23 organization and administration of treatment services for persons
24 suffering from ((pathological)) problem gambling ((problems)). The
25 department shall track program participation and client outcomes.

26 (2) To receive treatment under subsection (1) of this section, a
27 person must:

28 (a) Need treatment for ((pathological)) problem gambling, but be
29 unable to afford treatment; and

30 (b) Be targeted by the department of social and health services as
31 to be most amenable to treatment.

32 (3) Treatment under this section is ((limited to)) available only
33 to the extent of the funds ((available)) appropriated to the department
34 of social and health services for this specific purpose.

35 (4) ((The department of social and health services shall report to
36 the legislature by September 1, 2002, with a plan for implementing this
37 section.

1 ~~(5) The department of social and health services shall report to~~
2 ~~the legislature by November 1, 2003, on program participation and~~
3 ~~client outcomes.))~~ For the purposes of this section, "problem gambling"
4 includes patterns of gambling behavior that negatively impact the lives
5 of gamblers and their families, with serious personal, financial, or
6 legal consequences. Problem gambling may take two major forms:
7 Compulsive gambling and underage gambling.

8 NEW SECTION. Sec. 5. A new section is added to chapter 43.20A RCW
9 to read as follows:

10 The problem gambling treatment account is created in the state
11 treasury. All receipts from the licensing surcharge established in
12 section 2(1) of this act must be deposited in the account. Moneys in
13 the account may be spent only after appropriation. Expenditures from
14 the account may be used only for the purposes of the program
15 established under RCW 43.20A.890.

16 NEW SECTION. Sec. 6. A task force on funding the treatment of
17 problem gambling is established.

18 (1) The task force shall consist of the following members:

19 (a) One member from each of the two largest caucuses of the senate,
20 appointed by the president of the senate;

21 (b) One member from each of the two largest caucuses of the house
22 of representatives, appointed by the speaker of the house of
23 representatives;

24 (c) One member representing the governor, appointed by the
25 governor;

26 (d) Three members representing commercial gambling establishments
27 regulated by the gambling commission, appointed by the governor;

28 (e) Three members representing gambling establishments operated by
29 federally recognized tribes, appointed by the governor in consultation
30 with the tribes; and

31 (f) One member representing a nonprofit organization involved in
32 prevention and/or treatment of problem gambling, appointed by the
33 governor.

34 (2) In addition, the state lottery commission, the Washington horse
35 racing commission, the Washington state gambling commission, and the
36 department of social and health services shall maintain a liaison

1 representative, who shall be a nonvoting member. The governor's office
2 shall provide staff support to the task force. The task force shall
3 choose its chair from among its voting members.

4 (3) The task force shall develop a recommendation to the
5 legislature regarding: (a) The scope of the need for problem gambling
6 prevention and treatment based on the experience of other states with
7 problem gambling treatment programs and research findings; (b) a
8 mechanism for all who conduct legal gambling and gaming activities to
9 contribute equitably to funding for prevention and treatment of problem
10 gambling; and (c) a mechanism to ensure that funding for treatment of
11 problem gambling increases in proportion to increases in gambling
12 activities.

13 (4) The task force shall report its findings and recommendations to
14 the legislature by December 1, 2004.

15 (5) This section expires July 1, 2005.

16 NEW SECTION. **Sec. 7.** The sum of one million dollars, or as much
17 thereof as may be necessary, is appropriated for the biennium ending
18 June 30, 2005, from the problem gambling treatment fund to the
19 department of social and health services for the purposes of the
20 problem gambling program under RCW 43.20A.890.

21 NEW SECTION. **Sec. 8.** This act may be known and cited as Ben's
22 bill.

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