
HOUSE BILL 2776

State of Washington 58th Legislature 2004 Regular Session

By Representatives Cody, McCoy, Conway, Wood, Hudgins, Crouse, Kagi, Kenney, McMorris, Murray and McIntire

Read first time 01/20/2004. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to the treatment of problem gambling; amending RCW
2 9.46.100 and 43.20A.890; adding a new section to chapter 9.46 RCW;
3 adding a new section to chapter 43.20A RCW; and creating new sections.

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

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

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

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

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

15 (d) A 1999 study funded by the Washington state lottery commission
16 found that five percent of adult residents of Washington state and
17 eight percent of adolescent residents could be classified as problem
18 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 NEW SECTION. **Sec. 2.** A new section is added to chapter 9.46 RCW
11 to read as follows:

12 (1) In addition to annual license fees authorized under RCW
13 9.46.070(5), the commission shall establish an annual licensing
14 surcharge.

15 (a) This licensing surcharge applies to all licensees under this
16 chapter except:

17 (i) Those persons licensed under RCW 9.46.070(17) and employed:
18 (A) By an operator of a gambling activity authorized by this chapter;
19 or (B) by any manufacturer, supplier, or distributor of devices for
20 those activities; and

21 (ii) Organizations authorized under RCW 9.46.0311.

22 (b) From July 1, 2004, through June 30, 2005, the licensing
23 surcharge is one-half of one percent of net proceeds of all gambling
24 activities conducted by the licensee during the preceding twelve-month
25 period. Beginning July 1, 2005, the licensing surcharge is one percent
26 of net proceeds of all gambling activities conducted by the licensee
27 during the preceding twelve-month period.

28 (c) The licensing surcharge applies to licensees as their annual
29 license renewal fees under RCW 9.46.070(5) become due to be paid after
30 June 30, 2004.

31 (2) All funds received by the commission, or any employee thereof,
32 from the licensing surcharge established in subsection (1) of this
33 section shall be deposited in the problem gambling treatment account.

34 **Sec. 3.** RCW 9.46.100 and 2002 c 371 s 901 are each amended to read
35 as follows:

36 There is hereby created the gambling revolving fund which shall

1 consist of all moneys receivable for licensing, penalties, forfeitures,
2 and all other moneys, income, or revenue received by the commission,
3 except the licensing surcharge established in section 2(1) of this act.
4 The state treasurer shall be custodian of the fund. All moneys
5 received by the commission or any employee thereof, except for change
6 funds and an amount of petty cash as fixed by rule or regulation of the
7 commission, shall be deposited each day in a depository approved by the
8 state treasurer and transferred to the state treasurer to be credited
9 to the gambling revolving fund. Disbursements from the revolving fund
10 shall be on authorization of the commission or a duly authorized
11 representative thereof. In order to maintain an effective expenditure
12 and revenue control the gambling revolving fund shall be subject in all
13 respects to chapter 43.88 RCW but no appropriation shall be required to
14 permit expenditures and payment of obligations from such fund. All
15 expenses relative to commission business, including but not limited to
16 salaries and expenses of the director and other commission employees
17 shall be paid from the gambling revolving fund.

18 ~~((During the 2001-2003 fiscal biennium, the legislature may
19 transfer from the gambling revolving fund to the state general fund
20 such amounts as reflect the excess fund balance of the fund and
21 reductions made by the 2002 supplemental appropriations act for
22 administrative efficiencies and savings.))~~

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

25 (1) A program for: (a) The prevention and treatment of
26 ~~((pathological))~~ problem gambling; and (b) the training of
27 professionals in the identification and treatment of problem gambling
28 is established within the department of social and health services, to
29 be administered by a qualified person who has training and experience
30 in ~~((handling pathological))~~ problem gambling ~~((problems))~~ or the
31 organization and administration of treatment services for persons
32 suffering from ~~((pathological))~~ problem gambling ~~((problems))~~. The
33 department shall track program participation and client outcomes.

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

36 (a) Need treatment for ~~((pathological))~~ problem gambling, but be
37 unable to afford treatment; and

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

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

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

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

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

18 The problem gambling treatment account is created in the state
19 treasury. All receipts from the licensing surcharge established in
20 section 2(1) of this act must be deposited in the account. Moneys in
21 the account may be spent only after appropriation. Expenditures from
22 the account may be used only for the purposes of the program
23 established under RCW 43.20A.890.

24 NEW SECTION. Sec. 6. This act may be known and cited as Ben's
25 bill.

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