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## Commerce & Gaming Committee

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### HB 1302

**Brief Description:** Creating a self-exclusion program for persons with a gambling problem or gambling disorder.

**Sponsors:** Representatives Kloba, Ryu, MacEwen, Reeves, Stanford, Vick, Kirby, Jenkin, Morgan, Appleton, Cody, Irwin, Davis, Bergquist, Jinkins, Ormsby and Thai; by request of Gambling Commission.

#### Brief Summary of Bill

- Requires the Washington State Gambling Commission to establish a uniform, statewide, voluntary self-exclusion program for people with gambling problems or gambling disorders.
- Includes minimum requirements for the program, with rules establishing the program to be adopted by June 30, 2021.
- Provides for forfeiture of money and things of value won by a person registered in the self-exclusion program, and limits causes of action against the state and participating gambling establishments related to processing and enforcing the program's requirements.
- Prohibits the dissemination and use of personal information collected, stored, or accessed under the program, other than for purposes of administering the program.
- Adds a Public Records Act exemption to protect all information people submit to the self-exclusion program from public inspection and copying.
- Changes certain existing references to "problem and pathological gambling" to say "gambling problem" and "gambling disorder."

**Hearing Date:** 1/29/19

**Staff:** Peter Clodfelter (786-7127).

#### Background:

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

The Washington State Gambling Commission (WSGC), the Washington State Horse Racing Commission, and the State Lottery Commission have jointly developed informational signs that include a toll-free hotline number for problem and pathological gamblers. The signs must be placed in the establishments of gambling licensees, horse racing licensees, and lottery retailers. Additionally, the three commissions may contract with other qualified entities to provide public awareness, training, and other services related to problem and pathological gambling.

In addition to the 1.5 percent tax imposed on people engaging in the business of operating contests of chance, an additional tax is imposed equivalent to the gross income of the business derived from the contests of chance multiplied by the rate of 0.13 percent. During any time the additional 0.13 percent tax is in effect, the WSGC may not increase fees payable by licensees under its jurisdiction for the purpose of funding services for problem and pathological gambling.

Revenue from the additional 0.13 percent tax is deposited in the Problem Gambling Account (an appropriated account). Expenditures from the Problem Gambling Account may be used only for the purposes of programs under the Health Care Authority's (HCA's) jurisdiction that relate to preventing and treating problem and pathological gambling and training professionals in the identification and treatment of problem and pathological gambling.

The HCA may license or certify treatment facilities and may contract with treatment facilities for any services provided under the program. The program is required to track program participation and client outcomes. To receive treatment under the program a person must need treatment for problem or pathological gambling, or because of the problem or pathological gambling of a family member, but be unable to afford treatment, and be targeted by the HCA as being most amenable to treatment. Treatment under this program is available only to the extent funds are appropriated for this purpose or otherwise made available to the HCA.

The HCA is required to establish an advisory committee to assist it in designing, managing, and evaluating the effectiveness of the program established to address problem and pathological gambling. The advisory committee is required to include, at a minimum, persons knowledgeable in the field of problem and pathological gambling and persons representing tribal gambling, privately owned nontribal gambling, and the State Lottery. For purposes of the program, pathological gambling is defined as a mental disorder characterized by loss of control over gambling, progression in preoccupation with gambling and in obtaining money to gamble, and continuation of gambling despite adverse consequences. Additionally, problem gambling is described as an earlier stage of pathological gambling which compromises, disrupts, or damages family or personal relationships or vocational pursuits.

### **Summary of Bill:**

References to problem and pathological gambling are changed to say gambling problem and gambling disorder, in the context of the informational signs that the Washington State Gambling Commission (WSGC), the Washington State Horse Racing Commission, and the State Lottery Commission must develop.

The WSGC must establish a self-exclusion program for all licensees to allow people to voluntarily self-exclude themselves from gambling at multiple gambling establishments by submitting one self-exclusion form to the state from one location. The WSGC has discretion in

establishing the scope, process, and requirements of the self-exclusion program, including denying, suspending, or revoking an application, license, or permit. However, the initial program must, at a minimum, allow persons to voluntarily exclude themselves from gambling at authorized gambling establishments that offer house-banked social card games, and must have a process for federally recognized Indian tribes or tribal enterprises that own gambling operations or facilities with class III gaming compacts to voluntarily participate in the self-exclusion program.

Further, under the program, individuals registered with the self-exclusion program are prohibited from participating in gambling activities associated with the program and forfeit all moneys and things of value obtained by or owed to the individual by an authorized gambling establishment as a result of prohibited wagers or gambling activities. The WSGC may adopt rules for the forfeiture of any moneys or things of value, including wagers, obtained by an authorized gambling establishment while an individual is registered with the self-exclusion program. In accordance with WSGC rules, moneys and things of value forfeited under the self-exclusion program must be distributed to the Problem Gambling Account and/or a charitable or nonprofit organization that provides problem gambling services or increases awareness about problem gambling.

Rules establishing the self-exclusion program must be adopted by June 30, 2021.

Individuals who participate in the self-exclusion program do not have a cause of action against the state, the WSGC, or any gambling establishment, its employees, or officers for any acts or omissions in processing or enforcing the requirements of the self-exclusion program. This includes a failure to prevent an individual from gambling at an authorized gambling establishment.

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. An exemption under the Public Records Act related to public inspection and copying of information is provided to protect all information submitted by a person to the state, either directly or through a state-licensed gambling establishment, or Indian tribes, or tribal enterprises that own gambling operations or facilities with class III gaming compacts, as part of the self-exclusion program.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.