

FINAL BILL REPORT

SHB 1302

C 213 L 19
Synopsis as Enacted

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

Sponsors: House Committee on 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).

House Committee on Commerce & Gaming
House Committee on Appropriations
Senate Committee on Labor & Commerce

Background:

The Washington State Gambling Commission (WSGC), the Washington State Horse Racing Commission, and the 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 a 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 the 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) 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. To receive treatment under the program a

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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. 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:

The WSGC and the Lottery Commission must establish a self-exclusion program 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 for gambling establishments, 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.

The Lottery component of the program must allow a person to self-exclude themselves from, at a minimum, the following Lottery activities: (1) enrolling in a player loyalty or reward program operated or maintained by the Lottery; (2) entering or winning any second chance Lottery promotion; and (3) claiming or receiving from the Lottery any monetary, promotional, or merchandise prize valued at more than \$600. Monetary prizes valued at more than \$600 that are forfeited under the self-exclusion program for the Lottery must be transferred to the Problem Gambling Account, and promotional and merchandise prizes valued at more than \$600 forfeited under the self-exclusion program must be retained by the Lottery.

Under the program administered by the WSGC, 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, by both the WSGC and the Lottery Commission. Individuals who participate in the self-exclusion

program do not have a cause of action against the state, the WSGC, the Lottery Commission, or any gambling establishment, Lottery retailer, or their employees or officers for any acts or omissions in processing or enforcing the requirements of the self-exclusion program. 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 other purpose. 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.

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

Votes on Final Passage:

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| House | 98 | 0 |
| Senate | 48 | 0 |

Effective: July 28, 2019