

HOUSE BILL REPORT

HB 1763

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to using state lottery moneys for compulsive gambling education and awareness.

Brief Description: Creating a program for compulsive gambling education and awareness.

Sponsors: Representatives D. Schmidt, Koster, Wolfe, Grant, Boldt, Fisher, Lantz, Thompson, Chopp, Clements, Reams, Pennington, Radcliff and Cole.

Brief History:

Committee Activity:

Commerce & Labor: 2/19/97, 2/27/97 [DP].

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 5 members: Representatives Conway, Ranking Minority Member; Wood, Assistant Ranking Minority Member; Boldt; Cole and Hatfield.

Minority Report: Do not pass. Signed by 4 members: Representatives McMorris, Chairman; Honeyford, Vice Chairman; Clements and Lisk.

Staff: Pam Madson (786-7166).

Background: Since 1992, several studies and reports have focused attention on the issue of problem gambling. In 1992, the Senate Commerce & Labor Committee produced a report on compulsive gambling. In 1993, the state Lottery Commission funded a study on problem gambling among adults and adolescents.

In December 1993, the Legislative Task Force on Gambling reported that there are a limited number of mental health professionals in this state who have specific training on the identification and treatment of compulsive gambling. There are no publicly or privately funded inpatient or outpatient treatment programs for compulsive gamblers in Washington. Gamblers Anonymous has had a presence in Washington since 1961.

The Washington state affiliate of the National Council on Problem Gambling offers a toll-free help line as well as other services for the problem gambler. The Gambling Commission, the Lottery Commission and the Horse Racing Commission contribute to the annual support of the state council's operations. At least three-quarters of the tribes operating casinos in Washington have made some contribution to the council.

All revenue from the sale of tickets, shares of various lottery games, and other revenue is deposited into the state lottery account. Moneys in this account must be used for the payment of prizes (a minimum of 45 percent), the operation and maintenance of the lottery, the purchase and promotion of lottery games, and the payment of agent compensation. A portion of the moneys in this account is deposited in the state general fund. An obsolete reference to deposits from the lottery account to the Housing Trust Fund remains in statute.

Summary of Bill: The Washington State Gambling Commission is directed to implement a program on the prevention of and education on compulsive gambling.

Expenditures are authorized from the state lottery account as part of the lottery advertising budget for a program on prevention of and education on compulsive gambling.

Reference to deposits from the lottery account to the Housing Trust Fund is deleted.

Appropriation: \$150,000 is appropriated from the state lottery account to the Gambling Commission.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: An existing program is in place at the Gambling Commission and this bill would increase funds for this effort. The Gambling Commission dedicates \$200,000 a biennium to the Council on Problem Gambling. Under this bill the commission would continue to monitor a contract with the council but would not provide additional services directly. The ultimate goal of the Council on Problem Gambling is to provide a 24-hour help line, expand education for adults and people working with youth, and to expand the training of treatment providers. This is not a treatment bill. The Council on Problem Gambling does not treat anyone. There is a need for more trained professionals. The Lottery account is limited by statute to specific purposes and may not be used for contributions to this type of activity. This bill would allow Lottery funds to be used for problem gambling. The Lottery has funded gambling prevalence surveys in the past prior to the increase in casino gambling, and those surveys need to be updated. The Gambling Commission supports ensuring that there is education and awareness on this issue. The tribal

casinos contributed \$40,000 last year, and another \$13,000 was raised from the industry to support the council.

Testimony Against: None.

Testified: Representative Duane Schmidt, prime sponsor; Gary Hanson, Washington State Council on Problem Gambling; Jeanne A. Benson; Charles D. Maurer, Washington State Council on Problem Gambling; Carrie Tellefson, Washington State Gambling Commission; and Vito Chiechi, Washington Licenced Beverage Association.