
ENGROSSED SECOND SUBSTITUTE HOUSE BILL 2776

State of Washington

58th Legislature

2004 Regular Session

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

READ FIRST TIME 02/10/04.

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; and providing an expiration date.

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 **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 legislature
30 may transfer from the gambling revolving fund to the state general fund
31 and the problem gambling treatment account such amounts as reflect the
32 excess fund balance of the fund ~~((and reductions made by the 2002
33 supplemental appropriations act for administrative efficiencies and
34 savings))~~. Of any amount transferred to the problem gambling treatment
35 account, half must derive from gambling establishments operated by
36 federally recognized Indian tribes, and half must derive from

1 commercial gambling establishments regulated by the gambling
2 commission.

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

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

13 During the 2003-2005 fiscal biennium, the legislature may transfer
14 from the state lottery account to the problem gambling treatment
15 account such amounts as reflect the excess fund balance of the fund.

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

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

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

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

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

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

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

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

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

13 The problem gambling treatment account is created in the state
14 treasury. Moneys in the account may be spent only after appropriation.
15 Expenditures from the account may be used only for the purposes of the
16 program established under RCW 43.20A.890.

17 NEW SECTION. Sec. 6. (1) A joint legislative task force on
18 funding the treatment of problem gambling is established, with members
19 as provided in this section.

20 (2) The joint task force shall include the following voting
21 members:

22 (a) Two members from each of the two largest caucuses of the
23 senate, appointed by the president of the senate;

24 (b) Two members from each of the two largest caucuses of the house
25 of representatives, appointed by the speaker of the house of
26 representatives; and

27 (c) One member representing the governor, appointed by the
28 governor.

29 (3) The joint task force shall include the following nonvoting
30 members:

31 (a) One member representing commercial gambling establishments
32 regulated by the gambling commission, appointed jointly by the
33 president of the senate and the speaker of the house of
34 representatives;

35 (b) One member representing gambling establishments operated by

1 federally recognized tribes, appointed jointly by the president of the
2 senate and the speaker of the house of representatives, in consultation
3 with the tribes;

4 (c) One member representing a nonprofit organization involved in
5 prevention and/or treatment of problem gambling appointed jointly by
6 the president of the senate and the speaker of the house of
7 representatives;

8 (d) Two members representing the public appointed jointly by the
9 president of the senate and the speaker of the house of
10 representatives; and

11 (e) One liaison representative from each of the following: The
12 state lottery commission, the Washington horse racing commission, the
13 Washington state gambling commission, and the department of social and
14 health services.

15 (4) The task force shall choose cochairs from among its voting
16 members.

17 (5) The task force shall develop a recommendation to the
18 legislature regarding: (a) The scope of the need for problem gambling
19 prevention and treatment based on the experience of other states with
20 problem gambling treatment programs and research findings; (b) a
21 mechanism for all who conduct legal gambling and gaming activities to
22 contribute fairly to funding for prevention and treatment of problem
23 gambling; and (c) a mechanism to ensure that funding for treatment of
24 problem gambling increases in proportion to increases in gambling
25 activities.

26 (6) The task force shall consult with: (a) All sectors of the
27 gambling and gaming industry, including but not limited to inviting
28 representatives of these sectors to present information and
29 recommendations at meetings of the task force; and (b) individuals and
30 organizations with expertise in the treatment of problem gambling.

31 (7) The task force shall use legislative facilities and staff from
32 senate committee services and the house of representatives office of
33 program research.

34 (8) Nonlegislative members, except those representing an employer
35 or organization, are entitled to be reimbursed for travel expenses in
36 accordance with RCW 43.03.050 and 43.03.060, such reimbursement to be
37 paid jointly by the senate and the house of representatives.

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

3 (10) This section expires July 1, 2005.

4 NEW SECTION. **Sec. 7.** This act may be known and cited as Ben's
5 bill.

--- END ---