

SENATE BILL REPORT

SB 6578

As of February 9, 2012

Title: An act relating to providing funding for chemical dependency treatment.

Brief Description: Providing funding for chemical dependency treatment.

Sponsors: Senators Hobbs, Swecker, Hargrove, Pridemore, Keiser, Delvin and Kline.

Brief History:

Committee Activity: Ways & Means: 2/06/12.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Dean Carlson (786-7305)

Background: With the voter approval of Initiative 1183 (I-1183) in November of 2011, the responsibility for spirits distribution and sales was shifted from the Liquor Control Board (LCB) to the private sector. Under the I-1183, spirits retailers must pay a license fee equal to 17 percent of their gross sales of spirits. Spirits distributors pay a license fee of 10 percent of their gross sales of spirits for the first two years, and 5 percent of their gross sales each year thereafter.

The license fees are to be deposited into the Liquor Revolving Fund which pays for the expenses of the LCB. After the expenses are paid, the excess amounts are distributed to the state, counties, and cities.

The Criminal Justice Treatment Account (CJTA) is used to fund county drug court operations. The aim of drug courts is to reduce drug abuse and drug related crimes and provide offender supervision and treatment (rather than solely incarceration) for individual needing assistance with addiction. Drug court is a special court charged with handling cases involving drug-addicted offenders.

Chemical dependency treatment services for low-income individuals is provided by the Division of Behavioral Health and Recovery (DBHR) within the Department of Social and Health Services. DBHR offers de-toxification services as well as short- and long-term treatment services. Treatments services can be provided on either an outpatient or inpatient basis. Some of the DBHR programs target certain populations such as programs specifically designed for pregnant or parenting women, youth treatment services, and adults who are

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incapacitated by their addition. DBHR does not provide direct client services and instead contracts with service providers and operates a block grant program with counties to fund local programs.

Summary of Bill: Fifty percent of the license fees from spirits distributors are deposited into the Liquor Revolving Fund. Thirty percent are deposited into the newly created Chemical Dependency Treatment Account for treatment services provided to low-income individuals. Twenty percent is deposited into the CJTA to fund county drug courts.

Additionally the 10 percent spirits distribution fee remains at 10 percent indefinitely instead of dropping to 5 percent after two years.

Appropriation: None.

Fiscal Note: Requested on February 3, 2012.
[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect on March 1, 2012

Staff Summary of Public Testimony: PRO: We appreciate the balance of the bill with the chemical dependency treatment account and the criminal justice treatment account. This helps people both inside and outside the criminal justice system. Chemical dependency has been cut by \$42 million in the last two biennia. For every dollar of chemical dependency treatment that is cut there is additional dollars in more expensive programs that are needed. These are cost effective way to address problems. Drug treatment generally saves money because it solves problems rather than having the problems continuing. We would like that the new revenues do not supplant local chemical dependency treatment funds.

Persons Testifying: PRO: Melissa Johnson; Assn. of Alcoholism and Addictions; Rash Guptor, WA Assn. of Counties; Bob Cooper, WA Assn. of Drug Court Professionals; Seth Dawson, WA Assn. for Substance Abuse; Nick Federici, Our Economic Future Coalition.