

# SENATE BILL REPORT

## EHB 2332

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As Reported by Senate Committee On:  
Labor & Commerce, February 19, 2018

**Title:** An act relating to gambling addiction.

**Brief Description:** Concerning gambling addiction.

**Sponsors:** Representatives Sawyer, Condotta, Ormsby and Appleton.

**Brief History:** Passed House: 1/24/18, 94-3.

**Committee Activity:** Labor & Commerce: 2/15/18, 2/19/18 [DPA].

### Brief Summary of Amended Bill

- Requires the Washington State Gambling Commission (Gambling Commission) to adopt rules establishing a self-exclusion program for problem and pathological gamblers, including a process: for self-exclusion from gambling establishments; and where tribal casinos may voluntarily participate in the self-exclusion program.
- Exempts from public disclosure, information submitted to the state under the problem gambler program.
- Prohibits the use of a third party to administer the self-exclusion program.
- Limits the use of any personal information collected, stored, or accessed under the program other than for the administration of the program.
- Modifies reports the Department of Licensing (DOL) is required to provide to the Legislature to add information regarding drivers' licenses, selective service registration.

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### SENATE COMMITTEE ON LABOR & COMMERCE

**Majority Report:** Do pass as amended.

Signed by Senators Keiser, Chair; Hasegawa, Vice Chair; Conway, King, Kuderer, Saldaña and Wilson.

**Staff:** Susan Jones (786-7404)

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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.*

**Background:** The Legislature recognizes that some individuals in this state are problem or pathological gamblers. Because the state promotes and regulates gambling through the activities of the Washington State Lottery Commission, the Washington Horse Racing Commission, and the Gambling Commission, the state has the responsibility to continue to provide resources for the support of services for problem and pathological gamblers. The law required that the various agencies that regulated gambling had to jointly develop informational signs concerning problem and pathological gambling which 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. The law also allows those agencies to contract with other qualified entities to provide public awareness, training, and other services.

In addition to the 1.5 percent tax on the gross income of the business derived from contests of chance, there is an additional tax of 0.13 percent, which is deposited in the problem gambling account. The additional tax does not apply to businesses operating contests of chance when the gross income from the operation of contests of chance is less than \$50,000 per year. Contests of chance means any contests, games, gaming schemes, or gaming devices, other than the state lottery, in which the outcome depends in a material degree upon an element of chance, notwithstanding that skill of the contestants may also be a factor in the outcome. The term includes social card games, bingo, raffle, punchboard games, and pull-tabs.

**Summary of Amended Bill:** Legislative findings are made that:

- problem and pathological gambling continues to negatively impact individuals and families in this state;
- an estimated 5 percent of adults in the state will experience problem or pathological gambling behaviors in their lifetime;
- previous and ongoing efforts to prevent and assist people in treating problem and pathological gambling, such as increasing public awareness, funding treatment services for individuals, and requiring informational signs in gambling establishments that include a toll-free hotline number for problem and pathological gamblers, have proven beneficial; and
- people and families facing problem gambling issues will further benefit from the availability of a uniform self-exclusion program.

By June 30, 2020, the Gambling Commission must adopt rules establishing a self-exclusion program for problem and pathological gamblers, including, at a minimum, a process: for self-exclusion from some or all gambling establishments; and where tribal casinos may voluntarily participate in the self-exclusion program, through a single request.

Information submitted to the state under the problem gamblers program is exempt from public disclosure.

The Gambling Commission may not contract with a third party to administer the self-exclusion program. Any personal information collected, stored, or accessed under the program may not be:

- sold, monetized, or traded by the Gambling Commission or any person authorized to access personal information through the program; or
- used for any purpose other than the administration of the self-exclusion program.

The reports that DOL is required to provide to the Legislature are modified to add information regarding drivers' licenses and selective service registration.

**EFFECT OF LABOR & COMMERCE COMMITTEE AMENDMENT(S):**

- Modifies the requirement for the self-exclusion program to include a process to self-exclude from some or all gambling establishments and tribal casinos, where there is voluntary participation by Indian tribes or tribal enterprises.
- Changes the method for self-exclusion to a single request, rather than submitting one form at one location.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

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

**Staff Summary of Public Testimony on Engrossed House Bill:** *The committee recommended a different version of the bill than what was heard.* PRO: This is an important step for individuals with gambling addiction. The Gambling Commission receives calls from people who want to exclude themselves from gambling establishments but there is no mechanism to do this statewide. It is hard to self-exclude because you have to go to each establishment. We are working on training to help workers in establishments recognize individuals with addiction.

**Persons Testifying:** PRO: Representative David Sawyer, Prime Sponsor; Brian Considine, Legal and Legislative Manager, Gambling Commission; Dolores Chiechi, Recreational Gaming Association.

**Persons Signed In To Testify But Not Testifying:** No one.