

SENATE BILL REPORT

SB 6331

As Reported by Senate Committee On:
Labor & Commerce, January 31, 2018

Title: An act relating to gambling addiction.

Brief Description: Concerning gambling addiction.

Sponsors: Senators Conway and Wilson.

Brief History:

Committee Activity: Labor & Commerce: 1/31/18, 1/31/18 [DP].

Brief Summary of 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: (1) for self-exclusion from gambling establishments, and (2) 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.
- Modifies reports the Department of Licensing (DOL) is required to provide to the legislature to add information regarding drivers' licenses, selective service registration.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

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

Staff: Susan Jones (786-7404)

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

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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 Bill: Legislative findings are made that:

- problem and pathological gambling continues to negatively impact individuals and families in this state;
- it is estimated that about 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 have proven beneficial, 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; 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: (1) for self-exclusion from gambling establishments, and (2) where tribal casinos may voluntarily participate in the self-exclusion program.

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

Reports DOL is required to provide to the Legislature is modified to add information regarding drivers' licenses and selective service registration.

Appropriation: None.

Fiscal Note: Available.

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

Effective Date: The bill takes effect on July 1, 2018.

Staff Summary of Public Testimony: PRO: Problem gambling is a major issue for the Gambling Commission. The Commission voted unanimously to support the bill. This is a \$3 billion industry with some unfortunate consequences. We need a system to allow an addict, when there is a moment of clarity, to self-exclude statewide. Now they have to go to each establishment. The Commission receives requests for self-exclusion, but there is not a centralized system. This concept is active throughout the country. However, HB 2332 is a better vehicle. The industry allows for self-exclusion. We agree that this should allow for tribal casinos as they have 92 percent of the industry.

Persons Testifying: PRO: Senator Steve Conway, Prime Sponsor; Julia Patterson, Commissioner, Vice Chair, Gambling Commission; Dave Trujillo, Director, Gambling Commission; Brian Considine, Legal & Legislative Manager, Gambling Commission; Dolores Chiechi, Recreational Gaming Association.

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