Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Commerce & Gaming Committee

HB 1880

Brief Description: Creating a joint legislative task force on problem gambling.

Sponsors: Representatives Kloba, Harris, Davis, Ryu and Stanford.

Brief Summary of Bill

- Creates the Joint Legislative Task Force on Problem Gambling (Task Force).
- Requires the Task Force to review findings from a problem gambling study funded in the 2018 Supplemental Operating Budget, and to review existing problem gambling programs and services in Washington state and nationally.
- Requires the Task Force to make recommendations to the Legislature, including whether additional prevalence research is needed, whether current state policies and resources meet current and projected future demand for services, and whether funding for prevention and treatment should be expanded.
- Requires a preliminary report by November 1, 2020, and a final report by November 30, 2021.

Hearing Date: 2/11/19

Staff: Peter Clodfelter (786-7127).

Background:

In the 2018 Supplemental Operating Budget, the Washington State Gambling Commission (WSGC) was provided \$50,000 to contract for a study to analyze the scope of services available for pathological or problem gamblers and their families in Washington state. The study must include the following components: (1) the availability of prevention programs and services offered within Washington state; (2) the availability of treatment programs and services offered for individuals with gambling-related problems and their families; and (3) strengths and deficits in problem gambling programs and services.

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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.

Distribution of the funds for the study was contingent upon securing additional funding for the study from the WSGC and other governmental or private sources to provide at least one dollar in matching funds for each dollar in state funds received by the WSGC. The WSGC is required to submit results of the study and any policy recommendations to the legislative committees of jurisdiction by February 15, 2019.

Regarding current problem gambling policies and resources, the WSGC, the Washington State Horse Racing Commission, and the State Lottery Commission have jointly developed informational signs that include a toll-free hotline number for problem and pathological gamblers. The signs are placed in the establishments of gambling licensees, horse racing licensees, and lottery retailers. Additionally, the three commissions may contract with other qualified entities to provide public awareness, training, and other services related to problem and pathological gambling.

In addition to a 1.5 percent gross-receipts tax imposed on people engaging in the business of operating contests of chance, an additional tax is imposed equivalent to the gross income of the business derived from the contests of chance multiplied by the rate of 0.13 percent. Revenue from the additional 0.13 percent tax is deposited in the Problem Gambling Account (an appropriated account). Expenditures from the Problem Gambling Account may be used only for the purposes of programs under the Health Care Authority's (HCA) jurisdiction that relate to preventing and treating problem and pathological gambling and training professionals in the identification and treatment of problem and pathological gambling.

The HCA may license or certify treatment facilities and may contract with treatment facilities for any services provided under the program. To receive treatment under the program a person must need treatment for problem or pathological gambling, or because of the problem or pathological gambling of a family member, but be unable to afford treatment, and be targeted by the HCA as being most amenable to treatment. Treatment under this program is available only to the extent funds are appropriated for this purpose or otherwise made available to the HCA. For purposes of the program, pathological gambling is defined as a mental disorder characterized by loss of control over gambling, progression in preoccupation with gambling and in obtaining money to gamble, and continuation of gambling despite adverse consequences. Problem gambling is described as an earlier stage of pathological gambling which compromises, disrupts, or damages family or personal relationships or vocational pursuits.

Summary of Bill:

Legislative findings are included, and the Joint Legislative Task Force on Problem Gambling (Task Force) is created. The membership of the Task Force is as follows:

- one member from each of the two largest caucuses of the Senate, appointed by the President of the Senate;
- one member from each of the two largest caucuses in the House of Representatives, appointed by the Speaker of the House of Representatives;
- a representative from the Health Care Authority;
- a representative from the Department of Health;
- a representative from the Washington State Gambling Commission;
- a representative from the State Lottery;
- a representative from the Horse Racing Commission;

- a representative from a nonprofit organization with experience in problem gambling treatment and recovery services;
- two representatives, one from a federally recognized Indian tribe, with experience in problem gambling treatment and recovery services;
- a member of the public who is impacted by a gambling problem or gambling disorder;
- a representative from a licensed gambling business or organization;
- a representative from a federally recognized tribal gaming operation, group, or organization; and
- other tribal representatives, state agency representatives, or stakeholder group representatives, at the discretion of the task force, for the purpose of participating in specific topic discussions or subcommittees.

The Task Force is directed to review the following: (1) findings of the problem gambling study completed in 2018 and 2019; (2) existing programs, services, and treatment to address problem gambling and gambling disorders in this state by public, private, and nonprofit entities; and (3) existing programs, services, and treatment to address problem gambling and gambling disorders in other states and by the federal government.

The Task Force must then make recommendations to the Legislature regarding whether additional research and study is needed on prevalence of problem gambling and gambling disorders in Washington state, whether Washington state should expand state funding for prevention, treatment, and recovery services to address the need for these programs, and whether current state licensing and certification of problem gambling providers meets the current and projected future demand for services. Additionally, the recommendations must identify additional problem gambling areas for consideration and any actions needed to ensure Washington state and regulatory agencies are effectively addressing problem gambling in an attempt to reduce the number of persons impacted by this disorder.

Staff support for the Task Force is provided by Senate Committee Services and the House of Representatives Office of Program Research. A preliminary report is due to the appropriate committees of the Legislature by November 1, 2020, and a final report is due by November 30, 2021.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.