

FINAL BILL REPORT

E2SSB 5634

Brief Description: Concerning problem gambling.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Conway, Keiser, Hasegawa, Nguyen, Nobles and Stanford).

Senate Committee on Business, Financial Services, Gaming & Trade

Senate Committee on Ways & Means

House Committee on Regulated Substances & Gaming

House Committee on Finance

Background: The Problem and Pathological Gambling Treatment Program. In 2005, the Problem and Pathological Gambling Program (Program) within the Department of Social and Health Services (DSHS) was revised. The Program was expanded at that time to cover:

- prevention, as well as the treatment, of problem and pathological gambling;
- training professionals to identify and treat problem and pathological gambling; and
- treatment of family members of problem or pathological gamblers who are unable to afford treatment, and are targeted by the DSHS as most amenable to treatment.

DSHS must establish an advisory committee to assist in designing, managing, and evaluating the Program's effectiveness. Committee members must include, at least, persons knowledgeable in the field of problem and pathological gambling and persons representing tribal gambling, privately owned non-tribal gambling, and the Washington State Lottery.

The program was transferred to the Health Care Authority (HCA) in 2018.

Funding for the Problem and Pathological Gambling Treatment Program. Since fiscal year 2007, the Lottery Commission has transferred 0.13 percent of net receipts into the Problem Gambling Account. A business and occupation tax was imposed on persons engaging in the business of operating contests of chance such as social card games, bingo, raffles, punchboard games, and pull-tabs, but not state lottery games or amusement games, or conducting horse races. Since fiscal year 2007, the amount of tax is 0.13 percent of a business's gross income derived from contests of chance.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Washington State Adult Problem Gambling Prevalence Study. In 2019, the Legislature provided funding to the Washington State Gambling Commission to facilitate the Joint Legislative Problem Gambling Task Force to review existing outreach prevention, and treatment resources for problem gambling and gambling disorder.

In 2021, the Legislature provided \$500,000 to HCA to study the prevalence of problem gambling among adults in Washington State. The prevalence study reviewed both statewide and regional results about beliefs and attitudes toward gambling, gambling behavior and preferences, and awareness of treatment services. The study also includes an estimate of the level of risk for problem gambling and examines correlations with broader behavioral and mental health measures. The study made a number of recommendations to the Legislature, including:

- improve availability and access to all levels of treatment and recovery support services;
- integrate problem gambling information into clinical behavioral health curriculum; and
- increase state funding for the state problem gambling program.

Summary: Scope of the Problem and Pathological Gambling Program. The scope of the Program is expanded to include year-round integrated problem gambling prevention efforts that include community engagement, as well as the treatment of problem gambling and gambling disorder. The criteria for receiving treatment for problem gambling or gambling disorder from the program is expanded include:

- loved ones experiencing problem gambling or gambling disorder;
- individuals that are identified by the HCA as being amenable and likely to benefit from treatment; and
- individuals unable to afford treatment.

The program is directed to conduct a program evaluation that tracks program participating and evaluates outcomes.

Advisory Committee on Problem Gambling. The Advisory Committee on Problem Gambling is established as an on-going entity that will hold quarterly meetings to:

- track progress of recommendations from the 2022 Legislative Problem Gambling Task Force final report;
- provide advice and feedback to HCA; and
- discuss emerging issues related to problem gambling and strategies to address those issues.

Membership of the advisory committee must include at least one representative from:

- the Gambling Commission;
- the Lottery Commission;
- the Horseracing Commission;
- HCA;

- the tribal gaming industry;
- an established business primarily engaged in the selling of food or drink for consumption on the premises, and that offers punchboards, pull-tabs, and social card games as a commercial stimulant;
- the gambling counselor certification committee;
- a non-profit problem gambling organization; and
- the recovery community including at least one member with lived experience in problem gambling.

Increasing the Rate on the Transfer of Funds from the Lottery to the Problem Gambling Account. The percentage of revenues from the lottery transferred to the Problem Gambling Account is increased from 0.13 percent to 0.2 percent beginning fiscal year 2024. The percentage increases from 0.2 percent to 0.26 percent beginning fiscal year 2025.

Increasing the Rate of Taxes on Games of Chance and Horse Racing for Deposit in the Problem Gambling Account. The rate used to multiply against gross income derived from contests of chance and parimutuel wagering is increased from 0.13 to 0.2 percent through June 30, 2024, and 0.26 thereafter.

Votes on Final Passage:

Senate	31	18
House	71	27

Effective: The bill contains an emergency clause and takes effect on July 1, 2023.