

## **BILL ANALYSIS**

H.B. 2577  
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Licensing & Administrative Procedures  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties have expressed a need to revise and clarify certain statutory provisions relating to the regulation of bingo. H.B. 2577 seeks to do so by requiring the Texas Lottery Commission to refund certain bingo licensing and registration fees in certain circumstances, making the use of a bingo advisory committee by the lottery commission mandatory, repealing a provision relating to the consequences of criminal convictions on a bingo worker, eliminating the remittance of bingo fees for small prizes, and specifying when the provisional employment period begins for a bingo worker.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 2577 amends the Occupations Code to replace the Texas Lottery Commission's authority to appoint a bingo advisory committee consisting of nine members with a requirement to do so. The bill requires the lottery commission, on request, to refund to an authorized organization the \$25 temporary license fee for a temporary license to conduct bingo not later than the 30th day after the date the lottery commission receives the request for the refund if the authorized organization does not use the temporary license to conduct bingo before the first anniversary of the date of the license's issuance or the authorized organization requests withdrawal of the application before the temporary license is issued. The bill authorizes the lottery commission, when issuing such a refund due to the withdrawal of an application, to retain an amount capped at 50 percent of the license fee to defray any administrative cost incurred by the lottery commission in processing the application.

H.B. 2577 requires the lottery commission to refund the fee for an initial or renewal license to conduct bingo, an initial or renewal commercial lessor license, an initial or renewal manufacturer's license, an initial or renewal distributor's license, or an initial or renewal unit manager license, or for amending a license issued under the Bingo Enabling Act, if the applicant requests withdrawal of the applicable application before the license is issued or if the lottery commission denies the application. The bill requires the lottery commission to refund the fee submitted for an initial or renewal registration application regarding inclusion in the approved bingo worker registry if the applicant requests withdrawal of the application before the applicant is listed on the registry or if the lottery commission denies the registration and listing. The bill requires the lottery commission to issue these refunds not later than the 30th day after the date

the lottery commission receives the withdrawal request or denies the application, as applicable, and authorizes the lottery commission to retain a specified amount to defray any administrative cost incurred by the lottery commission in processing the application.

H.B. 2577 specifies that the maximum 14-day period during which a licensed authorized organization may employ a Texas resident who is not on the approved bingo worker registry and who is awaiting the results of a background check by the lottery commission as an operator, manager, cashier, usher, caller, or salesperson on a provisional basis begins on the date the lottery commission receives the application for the employee to be placed on the registry. The bill authorizes a licensed authorized organization that sells pull-tab bingo tickets and conducts consecutive bingo occasions during one day to account for and report all of the pull-tab bingo ticket sales for the occasions as sales for the final occasion. The bill specifies that the requirement for a licensed authorized organization to remit to the lottery commission a fee in the amount of five percent of the amount or value of all bingo prizes awarded only applies to bingo prizes of more than \$5 and makes this bill provision applicable to the collection or remittance of a bingo fee prize for a bingo prize awarded on or after October 1, 2017.

H.B. 2577 repeals Section 2001.0541, Occupations Code, which requires the lottery commission to adopt rules and guidelines as necessary to comply with statutory provisions relating to consequences of criminal conviction when using criminal history record information to issue or renew a bingo license or to list or renew the listing of an individual in the registry of approved bingo workers.

**EFFECTIVE DATE**

September 1, 2017.