

SUBJECT: Closing instant lottery games when top prizes are claimed

COMMITTEE: Licensing and Administrative Procedures — committee substitute recommended

VOTE: 6 ayes — Geren, Goolsby, Hamilton, Jones, Quintanilla, Thompson
0 nays
3 absent — Flores, Isett, Miles

SENATE VOTE: On final passage, April 19 — 30-0, on Local and Uncontested Calendar

WITNESSES: No public hearing

DIGEST: CSSB 1200 would require the Texas Lottery Commission to adopt rules for instant lottery games that require the games to be closed after all top prizes have been claimed, or earlier, and that prohibit the sale of instant lottery game tickets 47 days after the commission starts procedures to close the game.

The bill would take effect September 1, 2007.

SUPPORTERS SAY: CSSB 1200 would ensure that scratch-off lottery games are represented fairly to the public. The bill would codify policy and procedures that the Lottery Commission recently adopted to close and withdraw scratch-off games once the top-tier prizes have been won. This would address public concerns that it is deceptive to keep selling tickets that advertise large prizes that cannot be won. The bill also would make sure that CSSB 1200 is implemented by setting a deadline for the commission to prohibit the sale of these tickets, which it would do by collecting the game's inventory within 46 days of the start of procedures to close the game.

The state should not see any significant revenue losses from withdrawing the games because the commission's budget was adjusted during the appropriations process so that it can replace withdrawn games with new ones.

OPPONENTS
SAY:

No apparent opposition.