

SUBJECT: Allowing certain lottery prize winners to remain anonymous

COMMITTEE: Licensing and Administrative Procedures — committee substitute recommended

VOTE: 8 ayes — Smith, Gutierrez, Geren, Goldman, Guillen, Kuempel, D. Miller, S. Thompson

0 nays

1 absent — Miles

WITNESSES: For — None

Against — (*Registered, but did not testify:* Kelley Shannon, Freedom of Information Foundation of Texas)

On — (*Registered, but did not testify:* Michael Anger, Texas Lottery Commission; Deanne Rienstra, Texas Lottery Commission)

BACKGROUND: Government Code, sec. 466.022, provides that all Texas Lottery Commission records are subject to public inspection. Certain information is exempt from disclosure, including the street address and telephone number of a prize winner if the winner does not consent to the release of that information.

DIGEST: CSHB 108 would allow a person who was a prize winner or who was an owner of a beneficial interest in a legal entity that was a prize winner of a lottery prize in an amount of \$1 million or more to choose to remain anonymous and prohibit all personally identifiable information from being released to the public.

The amount of a lottery prize would be the total amount of prize money paid to a prize winner for a single lottery prize claim before deducting any federal tax withholdings or other required deductions.

If the winner chose to remain anonymous and chose to have the prize paid in periodic installments, the Texas Lottery Commission could release or disclose the personally identifiable information of the winner 30 or more days after the winner claimed the lottery prize.

The bill would not prohibit the release of a prize winner's city or county of residence or prevent the commission from releasing personally identifiable information as required for deducting child support payments or delinquent taxes from the winnings.

The commission would be required to adopt rules and procedures necessary to implement the changes in this bill by December 1, 2015.

The bill would take effect September 1, 2015, and would apply only to an initial claim for a lottery prize that was submitted on or after January 1, 2016.

**SUPPORTERS
SAY:**

CSHB 108 would protect lottery winners from becoming victims of crime and harassment by allowing them to remain anonymous. When the names of lottery winners are released to the public, it is an open invitation for people to target those individuals because it is public knowledge that they have large amounts of money. Some states have passed laws to allow lottery winners to remain anonymous and have seen an increase in ticket sales, not a decrease.

**OPPONENTS
SAY:**

CSHB 108 is unnecessary because certain information, such as the winner's address and phone number, can be kept confidential under current law if the winner does not consent to its release. Current law is sufficient to maintain the winner's privacy, while also allowing the public access to information related to governmental financial transactions. Transparency in the lottery is important because it protects the integrity of the system. Without this access, the public's trust in the lottery system might decrease, causing ticket sales to drop.