

- SUBJECT:** Regulating amusement redemption machine game rooms
- 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 — Lee Woods, Amusement and Music Operators of Texas; Melinda Ramos and Danny Scarth, City of Fort Worth; (*Registered, but did not testify*: Stephen Fenoglio, Amusement and Music Operators of Texas; Seth Mitchell, Bexar County Commissioners Court; Steve Bresnen, Coalition for the Survival of Charitable Bingo; Jim Allison, County Judges and Commissioners Association of Texas; Donna Warndof, Harris County; Mark Mendez, Tarrant County Commissioners Court; Rick Thompson, Texas Association of Counties; Glenn Deshields, Texas Charity Advocates; Donald Lee, Texas Conference of Urban Counties)
- Against — (*Registered, but did not testify*: Rob Kohler, Christian Life Commission of the Baptist General Convention of Texas)
- BACKGROUND:** In 2013, the 83rd Legislature enacted HB 2123 by Guillen and HB 1127 by Smith, which allowed Willacy County and Harris County, respectively, to regulate the operation of game rooms. These bills created two versions of Local Government Code, ch. 234, subch. E — one for each county.
- Under both versions of subchapter E, the applicable county is authorized to regulate the operation of game rooms in a variety of ways, such as restricting their locations, prohibiting game rooms within a certain distance of schools, places of worship, or neighborhoods, or restricting the number of game rooms allowed in the county.

Subchapter E defines a “game room” as a for-profit business located in a building or place that contains six or more amusement redemption machines. “Amusement redemption machine” means certain machines made for amusement purposes that exclusively reward players with noncash prizes that have a value of no more than 10 times the amount charged to play the game once or \$5, whichever is less.

DIGEST: CSHB 1830 would repeal Local Government Code, ch. 234, subch. E as added by HB 2123 in 2013, which applied to counties with a population of less than 25,000 that were adjacent to the Gulf of Mexico and within 50 miles of an international border (Willacy County).

The bill also would repeal Local Government Code, sec. 234.132 as added by HB 1127 during the 83rd legislative session, which applied the subchapter to counties with a population of 4 million or more (Harris County). It would leave in place the other provisions of subchapter E as added by HB 1127 authorizing counties to regulate game rooms.

The bill would take effect September 1, 2015.

SUPPORTERS SAY: CSHB 1830 would remove provisions that limit to certain counties the authority to regulate game rooms, giving all counties in the state the ability to regulate game rooms. It is difficult for law enforcement to build individual cases against illegal gambling operations that take place in game rooms. A better way to deal with illegal gambling would be to allow each county to regulate game rooms in a way that worked for each individual county. The bill would give counties several tools to use in combating the illegal gambling problem in Texas.

OPPONENTS SAY: CSHB 1830 would not help to eradicate illegal gambling activities in some areas of Texas. Some local governments and law enforcement allow illegal game rooms to stay open because they generate revenue. The bill would not help to end this misuse of power because it would allow counties to decide what regulations to put into place.