

By: Vasut

H.B. No. 839

A BILL TO BE ENTITLED

AN ACT

relating to a limitation on the percentage of state lottery money paid as prizes to winning ticket holders.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 466.355(b), Government Code, is amended to read as follows:

(b) Money in the state lottery account may be used only for the following purposes and shall be distributed as follows:

(1) the payment of prizes to the holders of winning tickets, provided the payment of prizes in a fiscal biennium may not exceed an amount equal to 40 percent of the gross revenue accruing from the sale of tickets in that biennium;

(2) the payment of costs incurred in the operation and administration of the lottery, including any fees received by a lottery operator, provided that the costs incurred in a fiscal biennium may not exceed an amount equal to 12 percent of the gross revenue accruing from the sale of tickets in that biennium;

(3) the establishment of a pooled bond fund, lottery prize reserve fund, unclaimed prize fund, and prize payment account; and

(4) the balance, after creation of a reserve sufficient to pay the amounts needed or estimated to be needed under Subdivisions (1) through (3), to be transferred on or before the 15th day of each month as follows:

1                   (A) the portion of the balance attributable to  
2 the lottery game operated under Section 466.027 to the fund for  
3 veterans' assistance established by Section 434.017; and

4                   (B) the remainder to the foundation school fund.

5           SECTION 2. Section 466.355, Government Code, as amended by  
6 this Act, applies beginning with the state fiscal biennium  
7 beginning September 1, 2025.

8           SECTION 3. This Act takes effect September 1, 2025.