

By: Menéndez

S.B. No. 171

A BILL TO BE ENTITLED

AN ACT

relating to the creation of a lottery game to benefit the child-care services program administered by the Texas Workforce Commission.

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

SECTION 1. Subchapter B, Chapter 466, Government Code, is amended by adding Section 466.0265 to read as follows:

Sec. 466.0265. GAME SUPPORTING TEXAS WORKFORCE COMMISSION CHILD-CARE SERVICES PROGRAM. (a) The commission shall operate an instant-ticket lottery game to benefit the child-care services program administered by the Texas Workforce Commission.

(b) The commission shall:

(1) determine the ticket price, payout amounts, and manner in which the game is conducted;

(2) to the extent practicable, continuously make available for sale tickets to the game; and

(3) change the design or theme of the game regularly to ensure the game remains competitive with other instant-ticket lottery games the commission offers.

(c) The commission shall market and advertise the lottery game operated under this section in a manner intended to inform the public the game tickets are available for purchase and the game proceeds are used to fund the child-care services program administered by the Texas Workforce Commission. The game tickets must clearly state the game proceeds are used to benefit the

1 child-care services program administered by the Texas Workforce  
2 Commission. The Texas Workforce Commission may submit  
3 recommendations to the Texas Lottery Commission relating to the  
4 marketing and advertising of the game.

5 (d) The commission shall encourage each sales agent that  
6 sells tickets to instant-ticket games or similar types of lottery  
7 games to sell tickets to the game operated under this section.

8 SECTION 2. Section 466.355(b), Government Code, is amended  
9 to read as follows:

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

12 (1) the payment of prizes to the holders of winning  
13 tickets;

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

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

22 (4) the balance, after creation of a reserve  
23 sufficient to pay the amounts needed or estimated to be needed under  
24 Subdivisions (1) through (3), to be transferred on or before the  
25 15th day of each month as follows:

26 (A) the portion of the balance attributable to  
27 the lottery game operated under:

1                    (i) Section 466.0265 to the general revenue  
2 fund for appropriation only to fund the child-care services program  
3 administered by the Texas Workforce Commission; and

4                    (ii) Section 466.027 to the fund for  
5 veterans' assistance established by Section 434.017; and

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

7                    SECTION 3. Section 466.408(b), Government Code, is amended  
8 to read as follows:

9                    (b) If a claim is not made for prize money on or before the  
10 180th day after the date on which the winner was selected, the prize  
11 money shall be used in the following order of priority:

12                    (1) subject to legislative appropriation, not more  
13 than \$20 million in prize money each year may be deposited to the  
14 Department of State Health Services state-owned multicategorical  
15 teaching hospital account, which is an account in the general  
16 revenue fund, or appropriated from that account to provide indigent  
17 health care services as specified in Chapter 61, Health and Safety  
18 Code;

19                    (2) not more than \$5 million in prize money each year  
20 may be appropriated to the Health and Human Services Commission and  
21 shall be used to support the provision of inpatient hospital  
22 services in hospitals located in the 15 counties that comprise the  
23 Texas-Mexico border area, with payment for those services to be not  
24 less than the amount established under the Tax Equity and Fiscal  
25 Responsibility Act of 1982 (TEFRA) cost reimbursement methodology  
26 for the hospital providing the services;

27                    (3) [~~the remaining amount,~~] not more than [~~to exceed~~]

1 \$5 million in prize money in each state fiscal year less any amount  
2 deposited in the fund in that year attributable to the lottery game  
3 operated under Section 466.027~~[7]~~ shall be deposited to the fund  
4 for veterans' assistance; ~~and~~

5 (4) the remaining amount, not to exceed \$5 million in  
6 prize money in each state fiscal year less any amount deposited to  
7 the general revenue fund under Section 466.355(b)(4)(A)(i) in that  
8 year attributable to the lottery game operated under Section  
9 466.0265, shall be deposited to the general revenue fund for  
10 appropriation only to fund the child-care services program  
11 administered by the Texas Workforce Commission; and

12 (5) all prize money subject to this section and not  
13 deposited or appropriated in accordance with Subdivision (1), (2),  
14 ~~or~~ (3), or (4) shall be deposited to the credit of the foundation  
15 school fund.

16 SECTION 4. (a) Section 466.355, Government Code, as  
17 amended by this Act, applies only to a transfer from the state  
18 lottery account made on or after the effective date of this Act.

19 (b) The Texas Lottery Commission shall establish and begin  
20 selling tickets to the lottery game as required by Section  
21 466.0265, Government Code, as added by this Act, not later than  
22 March 2, 2026.

23 SECTION 5. This Act takes effect September 1, 2025.