

Amend CSSB 270 by adding appropriately numbered SECTIONS to read as follows and renumbering existing SECTIONS accordingly:

Section \_\_\_\_\_. Section 2001.002, Occupations Code, is amended by adding Subsection (30) to read as follows:

(29) "Satellite bingo game" means a single bingo game in which players participate simultaneously at two or more locations and for which there is a common prize pool and a common selection of numbers or symbols conducted at a single location, with the results of the selection transmitted electronically to each participating location by satellite, telephone, or other means.

SECTION 2. Subchapter I, Chapter 2001, Occupations Code, is amended by adding Section 2001.421 to read as follows:

Sec. 2001.421. REGULATION OF SATELLITE BINGO. (a) Sections 2001.402 and 2001.420 do not apply to a satellite bingo game.

(b) The commission by rule may exempt a satellite bingo game or a person who conducts or participates in a satellite bingo game or who holds a license under this chapter from any other provision of this chapter if the commission determines the exemption is necessary to facilitate the operation and administration of satellite bingo games.

SECTION 3. Subchapter C, Chapter 2001, Occupations Code, is amended by adding Section 2001.108 to read as follows:

Sec. 2001.108. SATELLITE BINGO SERVICE PROVIDER'S LICENSE. (a) To provide satellite bingo services, in any manner, for the use of licensed authorized organizations, a person must obtain a satellite bingo service provider's license from the commission.

(b) An applicant for a license under this section must file with the commission a written application that includes:

- (1) the name and address of the applicant;
- (2) if a noncorporate entity, the name and address of each owner;
- (3) if a corporation, the name and address of each officer and director and each person owning 10 percent or more of any class of stock in the corporation;
- (4) information regarding whether the applicant or any person who is required to be named in the application has been

convicted of a felony, criminal fraud, a gambling or gambling-related offense, or a crime of moral turpitude; and

(5) information regarding whether the application or any person required to be named in the application is an owner, officer, director, shareholder, agent, or employee of a commercial lessor licensed under this chapter.

c) A person is not eligible for a license under this section if:

(1) the person has been convicted of a felony, criminal fraud, a gambling or gambling-related offense, or a crime of moral turpitude and it has been less than 10 years since the termination of the sentence, parole, or probation related to the offense; or

(2) the person is an owner, officer, or director of a holder of a commercial lessor, manufacturer, or distributor licensed under this chapter.

(d) The fee for a satellite bingo service provider's license is \$5,000 plus an amount to cover any cost incurred to conduct criminal background checks in connection with the application for the license or license renewal.

(e) The commission shall revoke the license of a satellite bingo service provider if any disqualification under this section occurs within the license period.

(f) A satellite bingo service provider may purchase goods or services from a licensed manufacturer.

(g) The commission may inspect the satellite bingo service provider's services. The satellite bingo service provider shall provide to the commission any information requested that relates to the complaint. The commission shall prescribe procedures for investigating and resolving complaints against a satellite bingo service provider.

(h) A satellite bingo service provider shall be bonded in an amount established by rule of the commission. The amount of the bond may not be less than \$50,000 or more than \$250,000.

(I) A satellite bingo service provider shall establish a bank account into which all proceeds from each satellite bingo game shall be deposited, less any prizes paid and payments to the participating licensed, authorized organization. Only the

following disbursements may be made from the satellite bingo bank account:

- (1) payment of prizes;
- (2) payment of taxes and fees on prizes;
- (3) allocation payments to participating licensed authorized organizations;
- (4) payments for facility access fees; and
- (5) payments to a satellite bingo service provider for operating costs.

(j) The amount of allocation payments made to a participating licensed authorized organization may not be less than 25 percent of gross receipt derived from the satellite bingo game.

(k) The satellite bingo service provider shall pay a facility access fee to a lessor or licensed authorized entity for the purpose of installing satellite equipment. The fee may not be less than five percent of the gross receipts derived from satellite bingo games conducted at a facility.

SECTION 4. Subchapter K, Chapter 2001, Occupations Code, is amended by adding Section 2001.516 to read as follows:

Sec. 2001.516. FEES ON SATELLITE BINGO GAME. (a) Sections 2001.502, 2001.503, and 2001.504 do not apply to a satellite bingo game.

(b) A satellite bingo service provider shall collect a fee from each person who wins a prize in a satellite bingo game for which that provider provides services.

c) The fee imposed by this section is 10 percent of the amount or value of the prize.

(d) The commission shall prescribe procedures for delivery to the commission of fees imposed under this section. Revenue collected by the commission under this section shall first be used by the commission to offset the cost of administering the provisions of this chapter regulating satellite bingo and satellite bingo games. The commission shall transfer any revenue remaining after those administrative costs have been recovered by the commission to the comptroller.