

BILL ANALYSIS

Senate Research Center
78S41476 YDB-D

S.J.R. 7
By: Armbrister
Finance
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As Filed

DIGEST AND PURPOSE

There are three Indian tribal lands in Texas, at El Paso, Eagle Pass, and Livingston. There are 10 licensed pari-mutuel racetracks around the state, and an application has been made for an additional Class 2 horse racetrack in Laredo.

S.J.R. 7 proposes a constitutional amendment authorizing the operation of video lottery games in this state under the control of the Texas Lottery Commission. It is anticipated that there would be a total of approximately 35,000 video lottery terminals at these 14 locations.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 47, Article III, Texas Constitution, by amending Subsection (a) and adding Subsections (f) and (g), as follows:

- (a) Makes a conforming change to reflect the addition of Subsection (f) to this section.
- (f) Authorizes the legislature, by general law, to authorize the state to control and operate a video lottery system under which individuals may play games on video lottery terminals owned and operated by persons licensed or authorized by the state, and to generate revenue for the state solely to fund public education and the administration of the video lottery system. Sets forth a list of specified legal entities authorized to operate video lottery games in Texas.
- (g) Sets forth legislative intent for a law enacted under Subsection (f), stating that an applicant has no right to license, registration or affirmative regulatory approval. Provides that a license or registration issued under Subsection (f), is a revocable privilege, and the person has no vested right in or under the privilege. Provides that a Texas court has no jurisdiction to review a decision to deny, limit, or condition a license, registration, or request for approval, unless the judicial review is sought based on a suspect classification, such as race, color, religion, sex, or national origin. Requires the court to affirm the state's decision unless violation is proven by clear and convincing evidence.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 2, 2004. Requires the ballot to be printed to permit voting for or against a proposition.