

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 2, 2003

TO: Honorable Ron Wilson, Chair, House Committee on Ways & Means

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB2124 by Wilson (Relating to the continuation and functions of the Texas Lottery Commission.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would continue the Lottery Commission for another 12 years and expand the commission from three to five members. Although travel costs would increase approximately \$2,600 per year, the Lottery Commission should be able to accommodate this increase within its current resources.

The bill also would abolish the tiered lessor license structure and eliminate the bingo conductor/lessor license status. The conductor/lessors currently pay both conductor and lessor licensing fees and the gross rental tax. Those currently holding conductor/lessor licenses would no longer be licensed as lessors, but would likely retain their conductor licenses and could also seek a separated lessor license. While this change could result in a reduction in lessor license revenue, the conductors would still have to lease space for bingo games from commercial lessors, who would pay the rental taxes currently paid by the conductor/lessor. More commercial interests would have an incentive to seek a lessor license because they could lease to multiple charities, rather than one, replacing the conductor/lessors who choose not to obtain a separate lessor license.

The bill would become effective September 1, 2003.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 356 Texas Ethics Commission, 362 Texas Lottery Commission

LBB Staff: JK, SD, RT