

Amend **CSHB 2** by adding the following appropriately numbered article to the bill and renumbering subsequent articles of the bill accordingly:

ARTICLE \_\_\_\_\_. CONTINUATION OF STATE LOTTERY TO FUND  
PUBLIC SCHOOLS; PROCUREMENTS

SECTION \_\_\_\_\_.01. Section 466.003, Government Code, is amended to read as follows:

Sec. 466.003. CONTINUATION OF LOTTERY OPERATOR CONTRACT ON ABOLITION OF COMMISSION [~~APPLICATION OF SUNSET ACT~~]. [~~(a) The lottery division is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the division is abolished and this chapter expires September 1, 2005. In the review of the lottery division by the Sunset Advisory Commission, as required by this section, the sunset commission shall limit its review to the appropriateness of recommendations made by the sunset commission to the 78th Legislature. In the Sunset Advisory Commission's report to the 79th Legislature, the sunset commission may include any recommendations it considers appropriate.~~]

[~~(b)~~] A contract between the division and a lottery operator under Section 466.014(b) must contain a provision allowing the contract to be terminated without penalty should the division be abolished.

SECTION \_\_\_\_\_.02. Section 467.002, Government Code, as amended by **HB 1116**, Acts of the 79th Legislature, Regular Session, 2005, is amended to read as follows:

Sec. 467.002. APPLICATION OF SUNSET ACT. The commission is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the commission is abolished and this chapter, Chapter 466 of this code, and Chapter 2001, Occupations Code, expire September 1, 2007 [~~2011~~].

SECTION \_\_\_\_\_.03. Section 466.101, Government Code, is amended to read as follows:

Sec. 466.101. PROCUREMENT PROCEDURES. Except as otherwise provided by this subchapter, the general law governing purchasing

and contracts by state agencies applies to the commission.

~~[(a) The executive director may establish procedures for the purchase or lease of facilities, goods, and services and make any purchases, leases, or contracts that are necessary for carrying out the purposes of this chapter. The procedures must, as determined feasible and appropriate by the executive director, promote competition to the maximum extent possible.~~

~~[(b) In all procurement decisions, the executive director shall take into account the particularly sensitive nature of the lottery and shall act to promote and ensure integrity, security, honesty, and fairness in the operation and administration of the lottery and the objective of producing revenues for the state treasury.~~

~~[(c) The procurement procedures adopted by the executive director must, as determined feasible and appropriate by the executive director, afford any party who is aggrieved by the terms of a solicitation or the award of a contract an opportunity to protest the executive director's action to the commission. The protest procedures must provide for an expedient resolution of the protest in order to avoid substantially delaying a solicitation or contract award that is necessary for the timely implementation of a lottery game. A protest must be in writing and be filed with the commission not later than 72 hours after receipt of notice of the executive director's action.~~

~~[(d) A party who is aggrieved by the commission's resolution of a protest under Subsection (c) may file an action in the district court of Travis County. The court shall give preference to hearings and trials of actions under this section. If the party filing the action seeks to enjoin the implementation of a solicitation or contract, the party shall post a bond that is payable to the state if the party does not prevail in the appeal, and is in an amount sufficient to compensate the state for the revenue that would be lost due to the delay in lottery operations.~~

~~[(e) The commission shall require any person seeking to contract for goods or services relating to the implementation and administration of this chapter to submit to competitive bidding procedures in accordance with rules adopted by the commission. The~~

~~procedures must be for the purpose of ensuring fairness and integrity.]~~

SECTION \_\_\_\_ .04. Sections 466.102, 466.104, 466.105, 466.106, 466.107, and 466.108, Government Code, are repealed.

SECTION \_\_\_\_ .05. The change in law made by this Act governing purchasing and contracts by the Texas Lottery Commission applies to a purchase or contract made on or after the effective date of this Act, except that a contract or purchase for which the initial notice soliciting bids or proposals or other applicable expressions of interest is given before that date is governed by the law in effect when the initial notice for the contract or purchase is given, and the former law is continued in effect for that purpose. The change in law made by this Act does not affect a contract entered into before the effective date of this Act, and does not apply to a purchase made on or after the effective date under a contract entered into before the effective date if the purchase is made during the period covered by the contract.