

## **BILL ANALYSIS**

H.B. 2265  
By: Haggerty  
Licensing & Administrative Procedures  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Texas charitable bingo has experienced difficulties in attracting and keeping players, given the significant expansion of alternative gaming opportunities within and around Texas. While one can look to the decline in the number of games and attendance, the most important decline has been in the amounts of charitable funds being distributed to the causes of game conductors. A simple comparison of the charitable distributions of 2005 (\$30,474,078) with those from 1995 (\$46,454,694) reveals a decrease of \$15,980,616 of annual funding (down 34.4%). A progressive bingo game offers the unique opportunity to allow for the increase in prizes, without the attendant financial risk to the charitable conductor. As experienced by the Texas lottery, as a prize level grows, players are attracted and retain interest in the game. Progressive bingo does not bring in any new types of equipment or technology and remains true to the basic game of bingo.

H.B. 2265 allows a licensed authorized organization to conduct progressive bingo games and caps the jackpot prizes or consolation prizes at \$50,000.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Lottery Commission in SECTION 3 of this bill.

### **ANALYSIS**

H.B. 2265 authorizes a licensed authorized organization to conduct progressive bingo games by amending Section 2001.002, Occupations Code, to add the following definitions: "Consolation prize", "Jackpot prize" and "Progressive bingo game" and by amending Section 2001.420, Occupations Code, to exempt consolation prizes or jackpot prizes from the \$750 single game cap and from the \$2500 single bingo occasion cap and caps the jackpot prizes or consolation prizes at \$50,000 for a single progressive bingo game.

H.B. 2265 requires the Texas Lottery Commission to adopt rules as soon as practicable after the effective date of this Act.

### **EFFECTIVE DATE**

Immediately, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.