

BILL ANALYSIS

H.B. 2462
By: Van Arsdale
Licensing & Administrative Procedures
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, local law enforcement entities find that seized gambling equipment is showing back up in their community after it has been auctioned off locally. In the long run, this problem costs more than it brings in and ultimately becomes unmanageable to the local government.

H. B. 2462 charges the Texas Building and Procurement Commission with the selling of gambling equipment transferred from commissioners courts and states who the equipment must be sold to. No less than 50% of the net proceeds go to the commissioners court with the remainder going into the state's general revenue fund. The commissioners court then gives the remainder of the money minus administrative cost to the local law enforcement agency that originally seized the equipment.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2462 requires the Texas Building and Procurement Commission (commission) to establish a program to sell seized gambling equipment received from a commissioners court.

H.B. 2462 authorizes the commission to sell the gambling equipment only to a person the commission determines to be a bona fide license holder or authorized to sell, lease or provide gambling equipment to others or operate a gambling equipment issued by an out-of-state agency or in a foreign jurisdiction where it is lawful to possess gambling equipment. Requires the proceeds from the sale of the gambling equipment, less certain costs of the sale, to be divided according to an agreement between the commission and the commissioners court. The agreement must provide that the commissioners court will receive no less than fifty percent of the net proceeds and the remainder retained by the commission will be deposited into the general revenue fund; makes conforming changes; requires the commissioner court to remit the money received from the commission from the sale, less administrative expenses, to the local law enforcement agency that originally seized the equipment.

EFFECTIVE DATE

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