

Amend **SB 1655** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) Subchapter B, Chapter 466, Government Code, is amended by adding Section 466.027 to read as follows:

Sec. 466.027. VETERANS' ASSISTANCE GAME. (a) The commission shall operate an instant-ticket lottery game to benefit the fund for veterans' assistance established by Section 434.017, as amended by Chapter 1418 (HB 3107), Acts of the 80th Legislature, Regular Session, 2007.

(b) The commission shall:

(1) determine the ticket price, payout amounts, and manner in which the game is conducted;

(2) make tickets to the game available for sale continuously to the extent practicable; and

(3) change the design or theme of the game regularly to ensure that the game remains competitive with other instant-ticket lottery games offered by the commission.

(c) The commission shall market and advertise the lottery game operated under this section in a manner intended to inform the public that the game tickets are available for purchase and that the game proceeds are used to fund veterans programs in this state. The game tickets must clearly state that the game proceeds are used to benefit the veterans in this state. The Texas Veterans Commission may make recommendations to the Texas Lottery Commission relating to the marketing and advertising of the game.

(d) The commission shall encourage each sales agent that sells tickets to instant-ticket games or similar types of lottery games to sell tickets to the game operated under this section.

(e) No organization that would otherwise be eligible to receive funds from the state lottery account attributable to any lottery game authorized by this section may receive any such funds if it conducts illegal gambling or the illegal operation of gambling devices as defined by Chapter 47 of the Penal Code or allows illegal gambling or the illegal operation of gambling devices to be conducted on its property or in its facilities.

(b) This section takes effect only if **SB 1969**, Acts of the

81st Legislature, Regular Session, 2009, does not become law.

SECTION \_\_\_\_\_. (a) Subchapter B, Chapter 466, Government Code, is amended by adding Section 466.027 to read as follows:

Sec. 466.027. VETERANS' ASSISTANCE GAME. (a) The commission shall operate an instant-ticket lottery game to benefit the fund for veterans' assistance established by Section 434.017.

(b) The commission shall:

(1) determine the ticket price, payout amounts, and manner in which the game is conducted;

(2) make tickets to the game available for sale continuously to the extent practicable; and

(3) change the design or theme of the game regularly to ensure that the game remains competitive with other instant-ticket lottery games offered by the commission.

(c) The commission shall market and advertise the lottery game operated under this section in a manner intended to inform the public that the game tickets are available for purchase and that the game proceeds are used to fund veterans programs in this state. The game tickets must clearly state that the game proceeds are used to benefit the veterans in this state. The Texas Veterans Commission may make recommendations to the Texas Lottery Commission relating to the marketing and advertising of the game.

(d) The commission shall encourage each sales agent that sells tickets to instant-ticket games or similar types of lottery games to sell tickets to the game operated under this section.

(e) No organization that would otherwise be eligible to receive funds from the state lottery account attributable to any lottery game authorized by this section may receive any such funds if it conducts illegal gambling or the illegal operation of gambling devices as defined by Chapter 47 of the Penal Code or allows illegal gambling or the illegal operation of gambling devices to be conducted on its property or in its facilities.

(b) This section takes effect only if **SB 1969**, Acts of the 81st Legislature, Regular Session, 2009, becomes law.

SECTION \_\_\_\_\_. (a) Section 466.355(b), Government Code, is amended to read as follows:

(b) Money in the state lottery account may be used only for

the following purposes and shall be distributed as follows:

(1) the payment of prizes to the holders of winning tickets;

(2) the payment of costs incurred in the operation and administration of the lottery, including any fees received by a lottery operator, provided that the costs incurred in a fiscal biennium may not exceed an amount equal to 12 percent of the gross revenue accruing from the sale of tickets in that biennium;

(3) the establishment of a pooled bond fund, lottery prize reserve fund, unclaimed prize fund, and prize payment account; and

(4) the balance, after creation of a reserve sufficient to pay the amounts needed or estimated to be needed under Subdivisions (1) through (3), to be transferred on or before the 15th day of each month as follows:

(A) the portion of the balance attributable to the lottery game operated under Section 466.027 to the fund for veterans' assistance established by Section 434.017, as amended by Chapter 1418 (HB 3107), Acts of the 80th Legislature, Regular Session, 2007; and

(B) the remainder to the foundation school fund~~[on or before the 15th day of each month]~~.

(b) This section takes effect only if **SB 1969**, Acts of the 81st Legislature, Regular Session, 2009, does not become law.

SECTION \_\_\_\_\_. Section 466.355(b), Government Code, is amended to read as follows:

(b) Money in the state lottery account may be used only for the following purposes and shall be distributed as follows:

(1) the payment of prizes to the holders of winning tickets;

(2) the payment of costs incurred in the operation and administration of the lottery, including any fees received by a lottery operator, provided that the costs incurred in a fiscal biennium may not exceed an amount equal to 12 percent of the gross revenue accruing from the sale of tickets in that biennium;

(3) the establishment of a pooled bond fund, lottery prize reserve fund, unclaimed prize fund, and prize payment

account; and

(4) the balance, after creation of a reserve sufficient to pay the amounts needed or estimated to be needed under Subdivisions (1) through (3), to be transferred on or before the 15th day of each month as follows:

(A) the portion of the balance attributable to the lottery game operated under Section 466.027 to the fund for veterans' assistance established by Section 434.017; and

(B) the remainder to the foundation school fund[ ~~on or before the 15th day of each month~~].

(b) This section takes effect only if **SB 1969**, Acts of the 81st Legislature, Regular Session, 2009, becomes law.

SECTION \_\_\_\_\_. Section 466.408(b), Government Code, is amended to read as follows:

(b) If a claim is not made for prize money on or before the 180th day after the date on which the winner was selected, the prize money shall be used in the following order of priority:

(1) subject to legislative appropriation, not more than \$20 million in prize money each year may be deposited to or appropriated from the Texas Department of Health state-owned multicategorical teaching hospital account, which is an account in the general revenue fund;

(2) not more than \$5 million in prize money each year may be appropriated to the Health and Human Services Commission and shall be used to support the provision of inpatient hospital services in hospitals located in the 15 counties that comprise the Texas-Mexico border area, with payment for those services to be not less than the amount established under the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) cost reimbursement methodology for the hospital providing the services; [~~and~~]

(3) the remaining amount, not to exceed \$5 million in prize money in each state fiscal year less any amount deposited in the fund in that year attributable to the lottery game operated under Section 466.027, shall be deposited to the fund for veterans' assistance; and

(4) all prize money subject to this section and not appropriated from the Texas Department of Health state-owned

multicategorical teaching hospital account, ~~or~~ not appropriated to the Health and Human Services Commission for the purpose specified in Subdivision (2), and not deposited under Subdivision (3), shall be deposited in the general revenue fund and may be appropriated for any purpose as determined by the legislature, including the provision of indigent health care services as specified in Chapter 61, Health and Safety Code.

SECTION \_\_\_\_\_. Sections 434.017(a) and (e), Government Code, as amended by Chapter 1418 (**HB 3107**), Acts of the 80th Legislature, Regular Session, 2007, are amended to read as follows:

(a) The fund for veterans' assistance is a special fund in the state treasury outside the general revenue fund. The fund is composed of:

(1) money transferred to the fund at the direction of the legislature;

(2) gifts and grants contributed to the fund; ~~and~~

(3) the earnings of the fund; and

(4) money transferred to the fund from proceeds of the lottery game operated under Section 466.027 or transferred to the fund under Section 466.408(b).

(e) The commission ~~comptroller~~ may solicit, ~~and~~ accept, or refuse a gift or grant of money, services, or property for any purpose related to the fund for veterans' assistance ~~[gifts and grants to the fund]~~. A gift or grant to the fund may be appropriated in the same manner as other money in the fund, subject to any limitation or requirement placed on the gift or grant by the donor or granting entity.

SECTION \_\_\_\_\_. (a) Section 466.355, Government Code, as amended by this Act, applies only to a transfer from the state lottery account made on or after the effective date of this Act.

(b) The Texas Lottery Commission shall establish and begin selling tickets to the lottery game as required by Section 466.027, Government Code, as added by this Act, not later than March 2, 2010.