

By: Turner of Tarrant, Ortiz, Jr., Lucio III,  
et al.

H.B. No. 1299

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the fund for veterans' assistance and the creation of a  
3 lottery game to benefit the fund.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter B, Chapter 466, Government Code, is  
6 amended by adding Section 466.027 to read as follows:

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

12 (b) The commission shall:

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

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

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

20 (c) The commission shall market and advertise the lottery  
21 game operated under this section in a manner intended to inform the  
22 public that the game tickets are available for purchase and that the  
23 game proceeds are used to fund veterans programs in this state. The  
24 game tickets must clearly state that the game proceeds are used to

1 benefit the veterans in this state. The Texas Veterans Commission  
2 may make recommendations to the Texas Lottery Commission relating  
3 to the marketing and advertising of the game.

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

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

14 SECTION 2. Subchapter B, Chapter 466, Government Code, is  
15 amended by adding Section 466.027 to read as follows:

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

19 (b) The commission shall:

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

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

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

27 (c) The commission shall market and advertise the lottery

1 game operated under this section in a manner intended to inform the  
2 public that the game tickets are available for purchase and that the  
3 game proceeds are used to fund veterans programs in this state. The  
4 game tickets must clearly state that the game proceeds are used to  
5 benefit the veterans in this state. The Texas Veterans Commission  
6 may make recommendations to the Texas Lottery Commission relating  
7 to the marketing and advertising of the game.

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

11 SECTION 3. Section 466.355(b), Government Code, is amended  
12 to read as follows:

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

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

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

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

25 (4) the balance, after creation of a reserve  
26 sufficient to pay the amounts needed or estimated to be needed under  
27 Subdivisions (1) through (3), to be transferred on or before the

1 15th day of each month as follows:

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

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

9 SECTION 4. Section 466.355(b), Government Code, is amended  
10 to read as follows:

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

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

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

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

23 (4) the balance, after creation of a reserve  
24 sufficient to pay the amounts needed or estimated to be needed under  
25 Subdivisions (1) through (3), to be transferred on or before the  
26 15th day of each month as follows:

27 (A) the portion of the balance attributable to

1 the lottery game operated under Section 466.027 to the fund for  
2 veterans' assistance established by Section 434.017; and

3 (B) the remainder to the foundation school fund[~~7~~  
4 ~~on or before the 15th day of each month]~~.

5 SECTION 5. Section 466.408(b), Government Code, is amended  
6 to read as follows:

7 (b) If a claim is not made for prize money on or before the  
8 180th day after the date on which the winner was selected, the prize  
9 money shall be used in the following order of priority:

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

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

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

1           (4) all prize money subject to this section and not  
2 appropriated from the Texas Department of Health state-owned  
3 multicategorical teaching hospital account, ~~[or]~~ not appropriated  
4 to the Health and Human Services Commission for the purpose  
5 specified in Subdivision (2), and not deposited under Subdivision  
6 (3), shall be deposited in the general revenue fund and may be  
7 appropriated for any purpose as determined by the legislature,  
8 including the provision of indigent health care services as  
9 specified in Chapter 61, Health and Safety Code.

10           SECTION 6. Sections 434.017(a) and (e), Government Code, as  
11 amended by Chapter 1418 (H.B. 3107), Acts of the 80th Legislature,  
12 Regular Session, 2007, are amended to read as follows:

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

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

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

19                 (3) the earnings of the fund; and

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

23           (e) The commission ~~[comptroller]~~ may solicit, ~~[and]~~ accept,  
24 or refuse a gift or grant of money, services, or property for any  
25 purpose related to the fund for veterans' assistance ~~[gifts and~~  
26 ~~grants to the fund]~~. A gift or grant to the fund may be appropriated  
27 in the same manner as other money in the fund, subject to any

1 limitation or requirement placed on the gift or grant by the donor  
2 or granting entity.

3 SECTION 7. (a) Sections 1 and 3 of this Act take effect only  
4 if the Act of the 81st Legislature, Regular Session, 2009, relating  
5 to nonsubstantive additions to and corrections in existing codes  
6 does not become law.

7 (b) Sections 2 and 4 of this Act take effect only if the Act  
8 of the 81st Legislature, Regular Session, 2009, relating to  
9 nonsubstantive additions to and corrections in existing codes  
10 becomes law.

11 SECTION 8. (a) Section 466.355, Government Code, as  
12 amended by this Act, applies only to a transfer from the state  
13 lottery account made on or after the effective date of this Act.

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

17 SECTION 9. This Act takes effect immediately if it receives  
18 a vote of two-thirds of all the members elected to each house, as  
19 provided by Section 39, Article III, Texas Constitution. If this  
20 Act does not receive the vote necessary for immediate effect, this  
21 Act takes effect September 1, 2009.