

By: Raymond

H.B. No. 2325

A BILL TO BE ENTITLED

AN ACT

relating to local option elections to legalize or prohibit the operation of eight-liners and imposing a fee on eight-liner owners; providing penalties.

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

SECTION 1. Title 17, Election Code, is amended by adding Chapter 502 to read as follows:

CHAPTER 502. LOCAL OPTION ELECTIONS ON OPERATION OF EIGHT-LINERS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 502.001. DEFINITION. In this chapter, "eight-liner" has the meaning assigned by Section 47.01, Penal Code.

[Sections 502.002-502.020 reserved for expansion]

SUBCHAPTER B. MANNER OF CALLING ELECTION

Sec. 502.021. ELECTION TO BE HELD. On proper petition by the required number of voters of a county, justice precinct, or municipality in the county, the commissioners court shall order a local option election in that political subdivision to determine whether the operation of eight-liners shall be legalized or prohibited in the political subdivision.

Sec. 502.022. QUALIFICATIONS FOR NEW POLITICAL SUBDIVISION TO HOLD ELECTION. A political subdivision must have been in existence for at least 18 months before a local option election to legalize or prohibit the operation of eight-liners in the political subdivision may be held.

1 Sec. 502.023. APPLICATION FOR PETITION. (a) On written
2 application of 10 or more qualified voters of any county, justice
3 precinct, or municipality that includes proof of publication of the
4 application in a newspaper of general circulation in that political
5 subdivision not earlier than the 30th day before the date the
6 petition is filed, the county clerk of the county shall issue to the
7 applicants a petition to be circulated among the qualified voters
8 of the political subdivision for the signatures of the qualified
9 voters requesting that a local option election be called to
10 determine whether the operation of eight-liners shall be legalized
11 or prohibited in the political subdivision.

12 (b) Not later than the fifth day after the date the petition
13 is issued, the county clerk shall notify the secretary of state that
14 the petition has been issued.

15 Sec. 502.024. HEADING, STATEMENT, AND ISSUE ON APPLICATION
16 FOR PETITION TO LEGALIZE. (a) An application for a petition
17 seeking an election to legalize the operation of eight-liners must
18 include the heading: "Application for Local Option Election
19 Petition to Legalize the Operation of Eight-liners."

20 (b) The application must contain the following statement of
21 the issue to be voted on, immediately preceding the signatures of
22 the applicants: "It is the purpose and intent of the applicants
23 whose signatures appear on this application to legalize the
24 operation of eight-liners in (name of political subdivision)."

25 Sec. 502.025. HEADING, STATEMENT, AND ISSUE ON APPLICATION
26 FOR PETITION TO PROHIBIT. (a) An application for a petition
27 seeking an election to prohibit the operation of eight-liners must

1 include the heading: "Application for Local Option Election
2 Petition to Prohibit the Operation of Eight-liners."

3 (b) The application must contain the following statement of
4 the issue to be voted on, immediately preceding the signatures of
5 the applicants: "It is the purpose and intent of the applicants
6 whose signatures appear on this application to prohibit the
7 operation of eight-liners in (name of political subdivision)."

8 Sec. 502.026. PETITION REQUIREMENTS. A petition must
9 include the date the petition is issued by the county clerk and be
10 serially numbered. Each page of the petition must bear the same
11 date and serial number and the actual seal of the county clerk
12 rather than a facsimile of that seal.

13 Sec. 502.027. HEADING AND STATEMENT ON PETITION TO
14 LEGALIZE. (a) Each page of the petition for a local option
15 election seeking to legalize the operation of eight-liners must
16 include the heading: "Petition for Local Option Election to
17 Legalize the Operation of Eight-liners."

18 (b) The petition must contain the following statement of the
19 issue to be voted on, immediately preceding the signatures of the
20 petitioners: "It is the purpose and intent of the petitioners whose
21 signatures appear on this petition to legalize the operation of
22 eight-liners in (name of political subdivision)."

23 Sec. 502.028. HEADING AND STATEMENT ON PETITION TO
24 PROHIBIT. (a) Each page of the petition for a local option
25 election seeking to prohibit the operation of eight-liners must
26 include the heading: "Petition for Local Option Election to
27 Prohibit the Operation of Eight-liners."

1 (b) The petition must contain the following statement of the
2 issue to be voted on, immediately preceding the signatures of the
3 petitioners: "It is the purpose and intent of the petitioners whose
4 signatures appear on this petition to prohibit the operation of
5 eight-liners in (name of political subdivision)."

6 Sec. 502.029. OFFENSE: MISREPRESENTATION OF PETITION. (a)
7 A person commits an offense if the person misrepresents the purpose
8 or effect of a petition issued under this chapter.

9 (b) An offense under this section is a Class B misdemeanor.

10 Sec. 502.030. COPIES OF PETITION. (a) The county clerk
11 shall provide the number of copies of the petition required by the
12 applicants provided the number of pages does not exceed one page for
13 every 10 registered voters in the county, justice precinct, or
14 municipality. Each copy must bear the date, number, and seal on
15 each page as required on the original petition.

16 (b) The county clerk shall keep a copy of each petition and a
17 record of the applicants for the petition.

18 Sec. 502.031. VERIFICATION OF PETITION. (a) The voter
19 registrar of the county shall check the names of the signers of
20 petitions and the voting precincts in which the signers reside to
21 determine whether the signers were qualified voters of the county,
22 justice precinct, or municipality at the time the petition was
23 issued. The registrar may use a statistical sampling method to
24 verify the signatures, except that on written request from a
25 citizen of the political subdivision for which an election is
26 sought, the registrar shall verify each signature on the petition.
27 The citizen requesting the verification shall pay the reasonable

1 cost of the verification. The registrar shall certify to the
2 commissioners court the number of qualified voters signing the
3 petition.

4 (b) A petition signature may not be counted unless:

5 (1) the signature is the actual signature of the
6 purported signer;

7 (2) the petition contains in addition to the
8 signature:

9 (A) the signer's printed name;

10 (B) the signer's date of birth;

11 (C) if the territory from which signatures must
12 be obtained is situated in more than one county, the county of
13 registration;

14 (D) the signer's residence address; and

15 (E) the date of signing; and

16 (3) the petition complies with any other applicable
17 requirements prescribed by law.

18 (c) The use of ditto marks or abbreviations does not
19 invalidate a signature if the required information is reasonably
20 ascertainable.

21 (d) The omission of the state from the signer's residence
22 address does not invalidate a signature unless the political
23 subdivision from which the signature is obtained is situated in
24 more than one state. The omission of the zip code from the address
25 does not invalidate a signature.

26 (e) The signature is the only entry on the petition that is
27 required to be in the signer's handwriting.

1 (f) A signer may withdraw the signer's signature by deleting
2 the signature from the petition or by filing with the voter
3 registrar an affidavit requesting that the signature be withdrawn
4 from the petition. A signer may not withdraw the signature from a
5 petition on or after the date the petition is received by the
6 registrar. A withdrawal affidavit filed by mail is considered to be
7 filed at the time of its receipt by the registrar. The withdrawal
8 of a signature nullifies the signature on the petition and places
9 the signer in the same position as if the signer had not signed the
10 petition.

11 Sec. 502.032. REQUIREMENTS TO ORDER ELECTION. (a) The
12 commissioners court, at its next regular session on or after the
13 30th day after the date the petition is filed, shall order a local
14 option election to be held on the issue set out in a petition that
15 complies with the requirements of Subsection (b).

16 (b) The petition must:

17 (1) be filed with the voter registrar not later than
18 the 60th day after the date the petition is issued; and

19 (2) bear the signatures of a number of qualified
20 voters of the political subdivision equal to at least 35 percent of
21 the registered voters in the subdivision who voted in the most
22 recent gubernatorial election.

23 (c) A voter whose name appears on the list of registered
24 voters with the notation "S," or a similar notation, shall be
25 excluded from the computation of the number of registered voters of
26 a particular territory.

27 Sec. 502.033. RECORD IN MINUTES. The commissioners court

1 shall enter in its minutes the date a petition is presented, the
2 names of the signers, and the action taken with respect to the
3 petition.

4 Sec. 502.034. ISSUES TO APPEAR IN ORDER FOR ELECTION. (a)
5 The election order must state in its heading and text whether the
6 local option election to be held is for the purpose of legalizing or
7 prohibiting the operation of eight-liners as set out in the issue
8 recited in the application and petition.

9 (b) The order must state the issue to be voted on in the
10 election.

11 Sec. 502.035. BALLOT. The ballot in an election to legalize
12 or prohibit the operation of eight-liners shall be prepared to
13 permit voting for or against "The legal operation of eight-liners
14 in (name of political subdivision)."

15 Sec. 502.036. EVIDENCE OF VALIDITY. The commissioners
16 court election order is prima facie evidence of compliance with all
17 provisions necessary to give the order validity or to give the
18 commissioners court jurisdiction to make the order valid.

19 Sec. 502.037. FREQUENCY OF ELECTIONS. A local option
20 election on a particular issue may not be held in a political
21 subdivision until after the first anniversary of the date of the
22 most recent local option election in that political subdivision on
23 that issue.

24 [Sections 502.038-502.100 reserved for expansion]

25 SUBCHAPTER C. HOLDING OF ELECTION

26 Sec. 502.101. APPLICABILITY OF ELECTION CODE. Except as
27 provided by this chapter, the officers holding a local option

1 election shall hold the election in the manner provided by this
2 code.

3 Sec. 502.102. ELECTION PRECINCTS. (a) County election
4 precincts shall be used for a local option election to be held in an
5 entire county or in a justice precinct.

6 (b) Election precincts established by the governing body of
7 the municipality for its municipal elections shall be used for a
8 local option election to be held in a municipality. If the
9 governing body has not established precincts for its municipal
10 elections, the commissioners court shall prescribe the election
11 precincts for the local option election under the law governing
12 establishment of precincts for municipal elections.

13 Sec. 502.103. ISSUE ON BALLOT. (a) The issue ordered to
14 appear on the ballot for an election ordered by the commissioners
15 court must be the same as the issue applied for and set out in the
16 petition.

17 (b) The ballot must include the language required under
18 Section 502.035.

19 Sec. 502.104. COUNTY PAYMENT OF ELECTION EXPENSES. The
20 county shall pay the expense of holding a local option election
21 authorized by this chapter in the county, justice precinct, or
22 municipality in that county except that:

23 (1) if an election is to be held only within the
24 corporate limits of a municipality located wholly within the
25 county, the county may require the municipality to reimburse the
26 county for all or part of the expenses of holding the local option
27 election;

1 (2) county payment of the expense of an election to
2 legalize the operation of eight-liners is limited to the holding of
3 one election in a political subdivision during a one-year period;
4 and

5 (3) county payment of the expense of an election to
6 prohibit the operation of eight-liners is limited to the holding of
7 one election in a political subdivision during a one-year period.

8 Sec. 502.105. DEPOSIT REQUIRED FOR CERTAIN ELECTIONS;
9 OFFENSE. (a) If a county is not required to pay the expense of a
10 local option election under Section 502.104, the county clerk shall
11 require the applicants for a petition for a local option election to
12 make a deposit before the issuance of the petition.

13 (b) The deposit must be in the form of a cashier's check in
14 an amount equal to 25 cents per voter listed on the current list of
15 registered voters residing in the county, justice precinct, or
16 municipality where the election is to be held.

17 (c) The money received shall be deposited in the county's
18 general fund. A refund may not be made to the applicants regardless
19 of whether the petition is returned to the county clerk or the
20 election is ordered.

21 (d) The county clerk may not issue a petition to the
22 applicants unless a deposit required by this chapter is made.

23 (e) A person who violates Subsection (d) commits an offense.
24 An offense under this subsection is a misdemeanor punishable by:

25 (1) a fine of not less than \$200 nor more than \$500;

26 (2) confinement in the county jail for not more than 30
27 days; or

1 (3) both the fine and confinement.

2 Sec. 502.106. ELECTION IN CERTAIN MUNICIPALITIES. (a)
3 This section applies only to an election to legalize or prohibit the
4 operation of eight-liners in a municipality that is located in more
5 than one county.

6 (b) An election to which this section applies shall be
7 conducted by the municipality instead of the counties. For the
8 purposes of an election conducted under this section, a reference
9 in this chapter to:

10 (1) the county is considered to refer to the
11 municipality;

12 (2) the commissioners court is considered to refer to
13 the governing body of the municipality;

14 (3) the county clerk or voter registrar is considered
15 to refer to the secretary of the municipality or, if the
16 municipality does not have a secretary, to the person performing
17 the functions of a secretary of the municipality; and

18 (4) the county judge is considered to refer to the
19 mayor of the municipality or, if the municipality does not have a
20 mayor, to the presiding officer of the governing body of the
21 municipality.

22 (c) The municipality shall pay the expense of the election.

23 (d) An action to contest the election under Section 502.155
24 may be brought in the district court of any county in which the
25 municipality is located.

26 [Sections 502.107-502.150 reserved for expansion]

SUBCHAPTER D. PROCEDURE FOLLOWING ELECTION

Sec. 502.151. DECLARATION OF RESULT. (a) On completing the canvass of the election returns, the commissioners court shall make an order declaring the result and cause the clerk of the commissioners court to record the order as provided by law.

(b) In a legalization election, if a majority of the votes cast favor the issue "the legal operation of eight-liners" in the political subdivision, the operation of eight-liners within the boundaries of the political subdivision is legal on the entering of the court's order. The legalization remains in effect until changed by a subsequent local option election held under this code.

(c) In a prohibitory election, if a majority of the votes cast do not favor the issue "the legal operation of eight-liners" in the political subdivision, the court's order must state that the operation of eight-liners within the boundaries of the political subdivision is prohibited effective on the 30th day after the date the order is entered. The prohibition remains in effect until changed by a subsequent local option election held under this chapter.

(d) The local option status of a political subdivision does not change as a result of the election if:

(1) in an election described by Subsection (c), less than a majority of the votes cast do not favor the issue; and

(2) in an election described by Subsection (b), less than a majority of the votes cast favor the issue.

Sec. 502.152. ORDER PRIMA FACIE EVIDENCE. The order of the commissioners court declaring the result of the election is prima

1 facie evidence that all provisions of law have been complied with in
2 giving notice of and holding the election, counting and returning
3 the votes, and declaring the result of the election.

4 Sec. 502.153. CERTIFICATION OF RESULT. Not later than the
5 third day after the date the result of a local option election has
6 been declared, the county clerk shall certify the result to the
7 secretary of state. The clerk may not charge a fee for this
8 service.

9 Sec. 502.154. POSTING ORDER PROHIBITING OPERATION. (a) A
10 commissioners court order declaring the result of a local option
11 election and prohibiting the operation of eight-liners within the
12 boundaries of a political subdivision must be published by posting
13 the order at three public places in the county or other political
14 subdivision in which the election was held.

15 (b) The posting of the order shall be recorded in the
16 minutes of the commissioners court by the county judge. The entry
17 in the minutes or a copy certified under the hand and seal of the
18 county clerk is prima facie evidence of the posting.

19 Sec. 502.155. ELECTION CONTEST. (a) The enforcement of
20 local option laws in the political subdivision in which an election
21 is being contested is not suspended during an election contest.

22 (b) The result of an election contest finally settles all
23 questions relating to the validity of that election. A person may
24 not call the legality of that election into question again in any
25 other suit or proceeding.

26 (c) If an election contest is not timely instituted, it is
27 conclusively presumed that the election is valid and binding in all

1 respects on all courts.

2 [Sections 502.156-502.200 reserved for expansion]

3 SUBCHAPTER E. MISCELLANEOUS LOCAL OPTION PROVISIONS

4 Sec. 502.201. LOCAL OPTION STATUS OF AREA. (a) In a
5 criminal prosecution, all trial courts of this state shall take
6 judicial notice of whether the operation of eight-liners is legal
7 or prohibited in an area.

8 (b) In an information, complaint, or indictment, an
9 allegation that the operation of eight-liners is prohibited in an
10 area is sufficient, but a different status of the area may be urged
11 and proved as a defense.

12 Sec. 502.202. CHANGE OF STATUS. Except as provided in
13 Section 502.203, an authorized voting unit that has exercised or
14 may exercise the right of local option retains the status adopted
15 until that status is changed by a subsequent local option election
16 in the same authorized voting unit.

17 Sec. 502.203. PREVAILING STATUS: RESOLUTION OF CONFLICTS.
18 To ensure that each voter has the maximum possible control over the
19 status of the operation of eight-liners in the area where the voter
20 resides:

21 (1) the status that resulted from or is the result of a
22 duly called election for a municipality prevails against the status
23 that resulted from or is the result of an election in a justice
24 precinct or county in which the municipality or any part of the
25 municipality is contained; and

26 (2) the status that resulted from or is the result of
27 an election for a justice precinct prevails against the status that

1 resulted from or is the result of an election in a municipality in
2 which the justice precinct is wholly contained or in a county in
3 which the justice precinct is located.

4 Sec. 502.204. CHANGE IN PRECINCT BOUNDARIES. (a) When a
5 local option status is in effect as the result of the vote in a
6 justice precinct, the status shall remain in effect until the
7 status is changed as the result of a vote in the same territory that
8 constituted the precinct when the status was established. If the
9 boundaries of the justice precinct have changed since the status
10 was established, the commissioners court shall, for purposes of a
11 local option election, define the boundaries of the original
12 precinct. A local option election may be held within the territory
13 defined by the commissioners court as constituting the original
14 precinct.

15 (b) Nothing in this section is intended to affect the
16 operation of Section 502.203.

17 (c) Section 502.104, relating to the payment of local option
18 election expenses, applies to elections held in a territory that is
19 defined in accordance with Subsection (a).

20 SECTION 2. Section 2153.002, Occupations Code, is amended
21 by amending Subdivision (1) and adding Subdivision (2-a) to read as
22 follows:

23 (1) "Coin-operated machine" means any kind of machine
24 or device operated by or with a coin or other United States
25 currency, metal slug, token, electronic card, or check, including a
26 music or skill or pleasure coin-operated machine. The term does not
27 include an eight-liner.

1 (2-a) "Eight-liner" has the meaning assigned by
2 Section 47.01, Penal Code.

3 SECTION 3. Chapter 2153, Occupations Code, is amended by
4 adding Subchapter K to read as follows:

5 SUBCHAPTER K. FEE ON EIGHT-LINERS

6 Sec. 2153.501. IMPOSITION OF FEE. (a) A fee is imposed on
7 each eight-liner that an owner exhibits or displays, or permits to
8 be exhibited or displayed in this state.

9 (b) The amount of the fee is \$250 per year.

10 Sec. 2153.502. EXEMPTION. The fee imposed under this
11 subchapter does not apply to an owner of an eight-liner if the owner
12 possesses the eight-liner for resale only.

13 Sec. 2153.503. PRORATED FEE. The fee on an eight-liner
14 first exhibited or displayed in this state after March 31 is
15 one-fourth of the amount imposed under Section 2153.501 for each
16 quarter or partial quarter of the calendar year remaining after the
17 date the owner first exhibits or displays the eight-liner.

18 Sec. 2153.504. COLLECTION. (a) The comptroller shall
19 collect the fee.

20 (b) In collecting the fee, the comptroller may:

21 (1) collect the fee on a quarterly basis;

22 (2) establish procedures for quarterly collection of
23 the fee; and

24 (3) establish dates on which the fee payment is due.

25 (c) An owner required to pay a fee under this section shall
26 pay the fee to the comptroller by cashier's check or money order.

27 Sec. 2153.505. ALLOCATION OF REVENUE. (a) The comptroller

1 shall deposit 30 percent of each fee collected under this
2 subchapter to the credit of the general revenue fund.

3 (b) For an eight-liner located in a municipality, the
4 comptroller shall remit 70 percent of the fee collected under this
5 subchapter to the municipality in which the eight-liner is located.

6 (c) For an eight-liner located outside a municipality, the
7 comptroller shall remit 70 percent of the fee collected under this
8 subchapter to the county in which the eight-liner is located.

9 (d) The comptroller shall remit fee revenue to a
10 municipality or county under this section as soon as feasible after
11 collecting the fee.

12 Sec. 2153.506. REFUND OR CREDIT PROHIBITED. The comptroller
13 may not refund or assign credit for the fee imposed under this
14 subchapter to an owner who ceases to exhibit or display an
15 eight-liner before the end of the calendar year for which the fee is
16 imposed.

17 Sec. 2153.507. FEE PERMIT. (a) The comptroller shall issue
18 a fee permit to an owner who pays the fee.

19 (b) The comptroller may issue a duplicate fee permit to an
20 owner if the owner's fee permit is lost, stolen, or destroyed. The
21 fee for a duplicate permit is \$5.

22 (c) A fee permit shall be securely attached to the
23 eight-liner for which the permit is issued in a manner that requires
24 the continued application of steam and water to remove the permit.

25 Sec. 2153.508. APPLICABILITY OF TAX CODE. Subtitle B, Title
26 2, Tax Code, applies to the administration, collection, and
27 enforcement of taxes, penalties, and interest under this

1 subchapter.

2 SECTION 4. Section 47.01, Penal Code, is amended by adding
3 Subdivision (5-a) to read as follows:

4 (5-a) "Eight-liner" means an electronic device
5 capable of simulating the play of a traditional mechanical slot
6 machine or one-armed bandit, regardless of the number of lines of
7 play, that for the payment of consideration affords a player of the
8 device an opportunity to win a prize based solely or partially on
9 chance, if the prize from a single play of the game consists of:

10 (A) cash in an amount of \$500 or less; or

11 (B) noncash merchandise, or a representation of
12 value redeemable for noncash merchandise, that has a wholesale
13 value of \$500 or less.

14 SECTION 5. Section 47.02(c), Penal Code, is amended to read
15 as follows:

16 (c) It is a defense to prosecution under this section that
17 the actor reasonably believed that the conduct:

18 (1) was permitted under Chapter 2001, Occupations
19 Code;

20 (2) was permitted under Chapter 2002, Occupations
21 Code;

22 (3) consisted entirely of participation in the state
23 lottery authorized by the State Lottery Act (Chapter 466,
24 Government Code);

25 (4) was permitted under the Texas Racing Act (Article
26 179e, Vernon's Texas Civil Statutes); ~~[or]~~

27 (5) consisted entirely of participation in a drawing

for the opportunity to participate in a hunting, fishing, or other recreational event conducted by the Parks and Wildlife Department; or

(6) consisted entirely of operating an eight-liner in an area in which the operation of eight-liners has been legalized by a local option election under Chapter 502, Election Code.

SECTION 6. Section 47.09(a), Penal Code, is amended to read as follows:

(a) It is a defense to prosecution under this chapter that the conduct:

(1) was authorized under:

(A) Chapter 2001, Occupations Code;

(B) Chapter 2002, Occupations Code; or

(C) the Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes);

(2) consisted entirely of participation in the state lottery authorized by Chapter 466, Government Code; ~~[or]~~

(3) was a necessary incident to the operation of the state lottery and was directly or indirectly authorized by:

(A) Chapter 466, Government Code;

(B) the lottery division of the Texas Lottery Commission;

(C) the Texas Lottery Commission; or

(D) the director of the lottery division of the Texas Lottery Commission; or

(4) consisted entirely of operating an eight-liner in an area in which the operation of eight-liners has been legalized by

1 a local option election under Chapter 502, Election Code.

2 SECTION 7. (a) The changes in law made by this Act to
3 Sections 47.02(c) and 47.09(a), Penal Code, apply only to an
4 offense committed on or after the effective date of this Act. For
5 purposes of this section, an offense is committed before the
6 effective date of this Act if any portion of the offense occurs
7 before that date.

8 (b) An offense committed before the effective date of this
9 Act is covered by the law in effect when the offense was committed,
10 and the former law is continued in effect for that purpose.

11 SECTION 8. (a) This Act takes effect only if the
12 constitutional amendment proposed by the 81st Legislature, Regular
13 Session, 2009, authorizing local option elections to legalize or
14 prohibit the operation of eight-liners, takes effect. If that
15 amendment is not approved by the voters, this Act has no effect.

16 (b) Except as provided by Subsection (a) of this section:

17 (1) Sections 1, 2, and 5-7 of this Act take effect on
18 the date on which the constitutional amendment described by
19 Subsection (a) of this section takes effect; and

20 (2) Section 3 of this Act takes effect January 1, 2010.