

By: Thompson

H.B. No. 1955

A BILL TO BE ENTITLED

AN ACT

relating to contracting with a lottery operator by the Texas Lottery Commission.

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

SECTION 1. Section 466.014, Government Code, is amended by amending Subsection (b) and adding Subsection (d) to read as follows:

(b) The executive director may contract with or employ a person to perform a function, activity, or service in connection with the operation of the lottery as prescribed by the executive director. A person with whom the executive director contracts to operate a lottery must be eligible for a sales agent license under Section 466.155, except that when applying Section 466.155(a)(2)(A) to the lottery operator, Section 466.155(a)(1)(D)(ii) does not apply.

(d) Notwithstanding any other law, the executive director may contract with a lottery operator to act as a sales retailer or license a lottery operator as a sales agent under terms, conditions, and rates and at locations approved by the executive director.

SECTION 2. Section 466.155(a), Government Code, is amended to read as follows:

(a) After a hearing, the director shall deny an application for a license or the commission shall suspend or revoke a license if

1 the director or commission, as applicable, finds that the applicant  
2 or sales agent:

3 (1) is an individual who:

4 (A) has been convicted of a felony, criminal  
5 fraud, gambling or a gambling-related offense, or a misdemeanor  
6 involving moral turpitude, if less than 10 years has elapsed since  
7 the termination of the sentence, parole, mandatory supervision, or  
8 probation served for the offense;

9 (B) is or has been a professional gambler;

10 (C) is married to an individual:

11 (i) described in Paragraph (A) or (B); or

12 (ii) who is currently delinquent in the  
13 payment of any state tax;

14 (D) is an officer or employee of:

15 (i) the commission; or

16 (ii) a lottery operator; or

17 (E) is a spouse, child, brother, sister, or  
18 parent residing as a member of the same household in the principal  
19 place of residence of a person described by Paragraph (D);

20 (2) is not an individual, and an individual described  
21 in Subdivision (1):

22 (A) is an officer or director of the applicant or  
23 sales agent;

24 (B) holds more than 10 percent of the stock in the  
25 applicant or sales agent;

26 (C) holds an equitable interest greater than 10  
27 percent in the applicant or sales agent;

1 (D) is a creditor of the applicant or sales agent  
2 who holds more than 10 percent of the applicant's or sales agent's  
3 outstanding debt;

4 (E) is the owner or lessee of a business that the  
5 applicant or sales agent conducts or through which the applicant  
6 will conduct a ticket sales agency;

7 (F) shares or will share in the profits, other  
8 than stock dividends, of the applicant or sales agent; or

9 (G) participates in managing the affairs of the  
10 applicant or sales agent;

11 (3) has been finally determined to be:

12 (A) delinquent in the payment of a tax or other  
13 money collected by the comptroller, the Texas Workforce Commission,  
14 or the Texas Alcoholic Beverage Commission;

15 (B) in default on a loan made under Chapter 52,  
16 Education Code; or

17 (C) in default on a loan guaranteed under Chapter  
18 57, Education Code;

19 (4) is a person whose location for the sales agency is:

20 (A) a location licensed for games of bingo under  
21 Chapter 2001, Occupations Code;

22 (B) on land that is owned by:

23 (i) this state; or

24 (ii) a political subdivision of this state  
25 and on which is located a public primary or secondary school, an  
26 institution of higher education, or an agency of the state; or

27 (C) a location for which a person holds a wine and

1 beer retailer's permit, mixed beverage permit, mixed beverage late  
2 hours permit, private club registration permit, or private club  
3 late hours permit issued under Chapter 25, 28, 29, 32, or 33,  
4 Alcoholic Beverage Code; or

5 (5) has violated this chapter or a rule adopted under  
6 this chapter.

7 SECTION 3. This Act takes effect immediately if it receives  
8 a vote of two-thirds of all the members elected to each house, as  
9 provided by Section 39, Article III, Texas Constitution. If this  
10 Act does not receive the vote necessary for immediate effect, this  
11 Act takes effect September 1, 2011.