

By: Woolley

H.J.R. No. 111

A JOINT RESOLUTION

1 proposing a constitutional amendment authorizing a state video  
2 lottery system to operate video lottery games at certain horse and  
3 greyhound racetracks and providing that federally recognized  
4 Indian tribes are not prohibited from conducting games of chance on  
5 certain Indian lands.

6 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Section 47, Article III, Texas Constitution, is  
8 amended by amending Subsection (a) and adding Subsection (f) to  
9 read as follows:

10 (a) The Legislature shall pass laws prohibiting lotteries  
11 and gift enterprises in this State other than those authorized by  
12 Subsections (b), (d), [~~and~~] (e), and (f) of this section and Section  
13 47a of this article.

14 (f) This section does not prohibit a federally recognized  
15 Indian tribe from conducting games of chance on land in this state  
16 that was held in trust or recognized as tribal land of the tribe by  
17 the United States on January 1, 1998. The prohibitions provided by  
18 Section 47a of this article do not apply to games of chance by an  
19 Indian tribe on that land.

20 SECTION 2. Article III, Texas Constitution, is amended by  
21 adding Section 47a to read as follows:

22 Sec. 47a. (a) The legislature by general law in accordance  
23 with this section may authorize this state to control and operate a  
24 video lottery system under which individuals may play lottery games

1 of chance on video lottery terminals owned and operated by persons  
2 licensed or otherwise authorized by this state to operate video  
3 lottery at locations determined as provided by this subsection to  
4 generate additional revenue to fund state governmental programs.  
5 The law authorizing a video lottery system must:

6           (1) except as otherwise provided by this section,  
7 require this state to continually monitor the activity of each  
8 video lottery terminal and remotely terminate the operation of a  
9 terminal as necessary to protect the public health, welfare, or  
10 safety or the integrity of the state lottery or to prevent financial  
11 loss to this state;

12           (2) include a comprehensive registration program to  
13 govern a person that manufactures, distributes, sells, or leases  
14 video lottery terminals for use or play in this state and a process  
15 to approve video lottery terminals for use in the video lottery  
16 system in accordance with technical standards established by this  
17 state;

18           (3) provide for a comprehensive licensing program to  
19 govern a person that owns, manages, or maintains video lottery  
20 terminals operated in this state;

21           (4) limit the operation of video lottery games on  
22 behalf of this state to a person licensed in this state to operate a  
23 horse or greyhound racetrack at which wagering on horse or  
24 greyhound racing is authorized, provided that the person may be  
25 licensed to conduct video lottery games only at the location  
26 licensed for conducting that wagering;

27           (5) prohibit and impose criminal penalties for the

1 possession and operation of all electronic and mechanical gaming  
2 devices other than:

3 (A) video lottery terminals operated in  
4 connection with the video lottery system; or

5 (B) a gaming device expressly authorized under  
6 other state law; and

7 (6) prohibit the operation or possession of a video  
8 lottery terminal that is not subject to this state's measures for  
9 monitoring and terminating operation of the terminal required by  
10 this subsection and does not generate revenue for this state,  
11 except that the law may provide for limited storage or transport of  
12 video lottery terminals as authorized by this state and for  
13 possession of video lottery terminals by this state for testing and  
14 evaluation.

15 (b) All shipments of video lottery terminals or gaming  
16 devices into, out of, or within this state authorized under this  
17 section or a law enacted under this section or authorized under  
18 Section 47(f) of this article are legal shipments of the devices and  
19 are exempt from the provisions of 15 U.S.C. Sections 1171-1178,  
20 prohibiting the transportation of gambling devices.

21 (c) The governing body of a political subdivision of this  
22 state may not take any action regarding the repeal or revocation of  
23 a previous authorization by the voters of the political subdivision  
24 to approve the legalization or conduct of pari-mutuel wagering on  
25 horse races or greyhound races at a racetrack in that political  
26 subdivision if the racetrack may be authorized under this section  
27 to operate video lottery games on behalf of this state.

1           SECTION 3. (a) Except as provided by Subsection (b) of this  
2 section, this proposed constitutional amendment shall be submitted  
3 to the voters at an election to be held November 8, 2011. The ballot  
4 shall be printed to permit voting for or against the proposition:  
5 "The constitutional amendment authorizing a state video lottery  
6 system to operate video lottery games at certain horse and  
7 greyhound racetracks and providing that federally recognized  
8 Indian tribes are not prohibited from conducting games of chance on  
9 certain Indian lands."

10           (b) This proposed constitutional amendment may be submitted  
11 to the voters as provided by Subsection (a) of this section only if  
12 a bill of the regular session of the 82nd Legislature relating to  
13 the operation of video lottery games by licensed horse and  
14 greyhound operators, to a defense for the operation of video  
15 lottery by Indian tribes, to the authority of the Texas Lottery  
16 Commission and the Texas Racing Commission, and to the conduct of  
17 gambling in this state is enacted and becomes law.