

By: Smith

H.B. No. 1127

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of game rooms in certain counties;
providing penalties; authorizing a fee.

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

SECTION 1. Chapter 234, Local Government Code, is amended
by adding Subchapter E to read as follows:

SUBCHAPTER E. GAME ROOMS

Sec. 234.131. DEFINITIONS. In this subchapter:

(1) "Amusement redemption machine" means a recreational machine that provides a user of the machine with an opportunity to receive something of value, other than a right of replay on the machine, based solely or partially on chance and that accumulates credits or the equivalent of credits when the machine:

(A) displays a winning configuration of like symbols randomly selected by the machine;

(B) matches a winning combination of symbols or numbers to symbols or numbers randomly selected by the machine;

(C) displays a winning combination of cards that is valued in a traditional hierarchy for a poker card game; or

(D) displays a winning combination of cards and points assigned in a traditional blackjack card game.

(2) "Game room" means a for-profit business located in a building or place that contains five or more amusement redemption machines.

1 (3) "Game room owner" means a person who:

2 (A) has an ownership interest in, or receives the
3 profits from, a game room or an amusement redemption machine
4 located in a game room;

5 (B) is a partner, director, or officer of a
6 business, company, or corporation that has an ownership interest in
7 a game room or an amusement redemption machine located in a game
8 room;

9 (C) is a shareholder that holds more than 50
10 percent of the outstanding shares of a business, company, or
11 corporation that has an ownership interest in a game room or an
12 amusement redemption machine located in a game room;

13 (D) has been issued by the county clerk an
14 assumed name certificate for a business that owns a game room or an
15 amusement redemption machine located in a game room;

16 (E) signs a lease for a game room;

17 (F) opens an account for utilities for a game
18 room;

19 (G) receives a certificate of occupancy or
20 certificate of compliance for a game room;

21 (H) pays for advertising for a game room; or

22 (I) signs an alarm permit for a game room.

23 (4) "Operator" means an individual who:

24 (A) operates a cash register, cash drawer, or
25 other depository on the premises of a game room or of a business
26 where the money earned or the records of credit card transactions or
27 other credit transactions generated in any manner by the operation

1 of a game room or activities conducted in a game room are kept;

2 (B) displays, delivers, or provides to, or takes
3 orders from, a customer of a game room for merchandise, goods,
4 entertainment, or other services offered on the premises of a game
5 room;

6 (C) acts as a door attendant to regulate entry of
7 customers or other persons into a game room; or

8 (D) supervises or manages other persons at a game
9 room in the performance of an activity listed in this subdivision.

10 Sec. 234.132. APPLICABILITY. This subchapter applies only
11 to a county with a population of four million or more.

12 Sec. 234.133. AUTHORITY TO REGULATE. To promote the public
13 health, safety, and welfare, the commissioners court of a county
14 may regulate the operation of game rooms and may:

15 (1) restrict the location of game rooms to specified
16 areas of the county, including the unincorporated area of the
17 county;

18 (2) prohibit the location of a game room within the
19 distance prescribed by the commissioners court of a school, regular
20 place of religious worship, residential neighborhood, or other
21 specified land use the commissioners court finds inconsistent with
22 the operation of a game room; or

23 (3) restrict the number of game rooms that may operate
24 in a specified area of the county.

25 Sec. 234.134. LICENSES OR PERMITS. (a) A county may
26 require that an owner or operator of a game room obtain a license or
27 permit or renew a license or permit on a periodic basis to operate a

1 game room in the county. An application for a license or permit
2 must be made in accordance with regulations adopted by the county.

3 (b) Regulations adopted under this section may provide for
4 the denial, suspension, or revocation of a license or permit.

5 (c) A district court has jurisdiction of a suit that arises
6 from the denial, suspension, or revocation of a license or other
7 permit by a county.

8 Sec. 234.135. FEES. A county may impose a fee on an
9 applicant for a license or permit or for the renewal of the license
10 or permit required under this subchapter. The fee must be based on
11 the cost of processing the application and investigating the
12 applicant.

13 Sec. 234.136. INSPECTION. A county may inspect any
14 business that contains one or more amusement redemption machines to
15 determine whether the business is in compliance with this
16 subchapter or regulations adopted under this subchapter.

17 Sec. 234.137. INJUNCTION; CIVIL PENALTY. (a) A county may
18 sue in district court for an injunction to prohibit the violation or
19 threatened violation of a regulation adopted under Section 234.133.

20 (b) A person who violates a regulation adopted under Section
21 234.133 is liable to the county for a civil penalty of not more than
22 \$10,000 for each violation. Each day a violation continues is
23 considered a separate violation for purposes of assessing the civil
24 penalty under this subsection. A county may bring suit in district
25 court to recover a civil penalty authorized by this subsection.

26 (c) The county is entitled to recover reasonable expenses
27 incurred in obtaining injunctive relief, civil penalties, or both,

1 under this section, including reasonable attorney's fees, court
2 costs, and investigatory costs.

3 Sec. 234.138. CRIMINAL PENALTY. (a) A person commits an
4 offense if the person intentionally or knowingly operates a game
5 room in violation of a regulation adopted under Section 234.133.

6 (b) An offense under this section is a Class A misdemeanor.

7 Sec. 234.139. CUMULATIVE EFFECT. Authority under this
8 subchapter is cumulative of other authority that a county has to
9 regulate game rooms and does not limit that authority.

10 Sec. 234.140. EFFECT ON OTHER LAWS. (a) This subchapter
11 does not legalize any activity prohibited under the Penal Code or
12 other state law.

13 (b) A person who is subject to prosecution under Section
14 234.138 and any other law may be prosecuted under either or both
15 laws.

16 SECTION 2. This Act takes effect immediately if it receives
17 a vote of two-thirds of all the members elected to each house, as
18 provided by Section 39, Article III, Texas Constitution. If this
19 Act does not receive the vote necessary for immediate effect, this
20 Act takes effect September 1, 2013.