

1-1 By: Guillen (Senate Sponsor - Lucio) H.B. No. 2123
 1-2 (In the Senate - Received from the House May 9, 2013;
 1-3 May 9, 2013, read first time and referred to Committee on
 1-4 Intergovernmental Relations; May 17, 2013, reported favorably by
 1-5 the following vote: Yeas 3, Nays 1; May 17, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Hinojosa	X			
1-8 Nichols		X		
1-9 Garcia	X			
1-10 Paxton			X	
1-11 Taylor	X			

1-13 A BILL TO BE ENTITLED
 1-14 AN ACT

1-15 relating to the regulation of game rooms in certain counties;
 1-16 providing penalties; authorizing a fee.

1-17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-18 SECTION 1. Chapter 234, Local Government Code, is amended
 1-19 by adding Subchapter E to read as follows:

1-20 SUBCHAPTER E. GAME ROOMS

1-21 Sec. 234.131. DEFINITIONS. In this subchapter:

1-22 (1) "Amusement redemption machine" means a
 1-23 recreational machine that provides a user of the machine with an
 1-24 opportunity to receive something of value, other than a right of
 1-25 replay on the machine, based solely or partially on chance and that
 1-26 accumulates credits or the equivalent of credits when the machine:

1-27 (A) displays a winning configuration of like
 1-28 symbols randomly selected by the machine;

1-29 (B) matches a winning combination of symbols or
 1-30 numbers to symbols or numbers randomly selected by the machine;

1-31 (C) displays a winning combination of cards that
 1-32 is valued in a traditional hierarchy for a poker card game; or

1-33 (D) displays a winning combination of cards and
 1-34 points assigned in a traditional blackjack card game.

1-35 (2) "Game room" means a for-profit business located in
 1-36 a building or place that contains five or more amusement redemption
 1-37 machines.

1-38 (3) "Game room owner" means a person who:

1-39 (A) has an ownership interest in, or receives the
 1-40 profits from, a game room or an amusement redemption machine
 1-41 located in a game room;

1-42 (B) is a partner, director, or officer of a
 1-43 business, company, or corporation that has an ownership interest in
 1-44 a game room or an amusement redemption machine located in a game
 1-45 room;

1-46 (C) is a shareholder that holds more than 50
 1-47 percent of the outstanding shares of a business, company, or
 1-48 corporation that has an ownership interest in a game room or an
 1-49 amusement redemption machine located in a game room;

1-50 (D) has been issued by the county clerk an
 1-51 assumed name certificate for a business that owns a game room or an
 1-52 amusement redemption machine located in a game room;

1-53 (E) signs a lease for a game room;

1-54 (F) opens an account for utilities for a game
 1-55 room;

1-56 (G) receives a certificate of occupancy or
 1-57 certificate of compliance for a game room;

1-58 (H) pays for advertising for a game room; or

1-59 (I) signs an alarm permit for a game room.

1-60 (4) "Operator" means an individual who:

1-61 (A) operates a cash register, cash drawer, or

2-1 other depository on the premises of a game room or of a business
 2-2 where the money earned or the records of credit card transactions or
 2-3 other credit transactions generated in any manner by the operation
 2-4 of a game room or activities conducted in a game room are kept;
 2-5 (B) displays, delivers, or provides to, or takes
 2-6 orders from, a customer of a game room for merchandise, goods,
 2-7 entertainment, or other services offered on the premises of a game
 2-8 room;
 2-9 (C) acts as a door attendant to regulate entry of
 2-10 customers or other persons into a game room; or
 2-11 (D) supervises or manages other persons at a game
 2-12 room in the performance of an activity listed in this subdivision.
 2-13 Sec. 234.132. APPLICABILITY. This subchapter applies only
 2-14 to a county with a population of less than 25,000 that borders the
 2-15 Gulf of Mexico and is adjacent to two or more counties each with a
 2-16 population of more than 400,000.
 2-17 Sec. 234.133. AUTHORITY TO REGULATE. To promote the public
 2-18 health, safety, and welfare, the commissioners court of a county
 2-19 may regulate the operation of game rooms and may:
 2-20 (1) restrict the location of game rooms to specified
 2-21 areas of the county, including the unincorporated area of the
 2-22 county;
 2-23 (2) prohibit the location of a game room within the
 2-24 distance prescribed by the commissioners court of a school, regular
 2-25 place of religious worship, residential neighborhood, or other
 2-26 specified land use the commissioners court finds inconsistent with
 2-27 the operation of a game room; or
 2-28 (3) restrict the number of game rooms that may operate
 2-29 in a specified area of the county.
 2-30 Sec. 234.134. LICENSES OR PERMITS. (a) A county may
 2-31 require that an owner or operator of a game room obtain a license or
 2-32 permit or renew a license or permit on a periodic basis to operate a
 2-33 game room in the county. An application for a license or permit
 2-34 must be made in accordance with regulations adopted by the county.
 2-35 (b) Regulations adopted under this section may provide for
 2-36 the denial, suspension, or revocation of a license or permit.
 2-37 (c) A district court has jurisdiction of a suit that arises
 2-38 from the denial, suspension, or revocation of a license or other
 2-39 permit by a county.
 2-40 Sec. 234.135. FEES. A county may impose a fee on an
 2-41 applicant for a license or permit or for the renewal of the license
 2-42 or permit required under this subchapter. The fee must be based on
 2-43 the cost of processing the application and investigating the
 2-44 applicant.
 2-45 Sec. 234.136. INSPECTION. A county may inspect any
 2-46 business that contains one or more amusement redemption machines to
 2-47 determine whether the business is in compliance with this
 2-48 subchapter or regulations adopted under this subchapter.
 2-49 Sec. 234.137. INJUNCTION; CIVIL PENALTY. (a) A county may
 2-50 sue in district court for an injunction to prohibit the violation or
 2-51 threatened violation of a regulation adopted under Section 234.133.
 2-52 (b) A person who violates a regulation adopted under Section
 2-53 234.133 is liable to the county for a civil penalty of not more than
 2-54 \$10,000 for each violation. Each day a violation continues is
 2-55 considered a separate violation for purposes of assessing the civil
 2-56 penalty under this subsection. A county may bring suit in district
 2-57 court to recover a civil penalty authorized by this subsection.
 2-58 (c) The county is entitled to recover reasonable expenses
 2-59 incurred in obtaining injunctive relief, civil penalties, or both,
 2-60 under this section, including reasonable attorney's fees, court
 2-61 costs, and investigatory costs.
 2-62 Sec. 234.138. CRIMINAL PENALTY. (a) A person commits an
 2-63 offense if the person intentionally or knowingly operates a game
 2-64 room in violation of a regulation adopted under Section 234.133.
 2-65 (b) An offense under this section is a Class A misdemeanor.
 2-66 Sec. 234.139. CUMULATIVE EFFECT. Authority under this
 2-67 subchapter is cumulative of other authority that a county has to
 2-68 regulate game rooms and does not limit that authority.
 2-69 Sec. 234.140. EFFECT ON OTHER LAWS. (a) This subchapter

3-1 does not legalize any activity prohibited under the Penal Code or
3-2 other state law.

3-3 (b) A person who is subject to prosecution under Section
3-4 234.138 and any other law may be prosecuted under either or both
3-5 laws.

3-6 SECTION 2. This Act takes effect immediately if it receives
3-7 a vote of two-thirds of all the members elected to each house, as
3-8 provided by Section 39, Article III, Texas Constitution. If this
3-9 Act does not receive the vote necessary for immediate effect, this
3-10 Act takes effect September 1, 2013.

3-11

* * * * *