

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 10, 2013

TO: Honorable Wayne Smith, Chair, House Committee on Licensing & Administrative Procedures

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2197** by Anchia (Relating to the continuation and functions of the Texas Lottery Commission; providing penalties; imposing and changing fees.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2197, Committee Report 1st House, Substituted: a positive impact of \$290,054 through the biennium ending August 31, 2015.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	\$145,027
2015	\$145,027
2016	\$145,027
2017	\$145,027
2018	\$145,027

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from General Revenue Fund 1
2014	\$145,027
2015	\$145,027
2016	\$145,027
2017	\$145,027
2018	\$145,027

Fiscal Analysis

The bill would amend the Government Code and the Occupations Code relating to the continuation and functions of the Texas Lottery Commission, provide penalties, and impose fees. The bill would expand the number of commissioners from three to five members, which would result in a slight increase in travel reimbursements for the new members. The bill would remove fixed license fees for bingo equipment manufacturers and distributors and allow the Lottery Commission to set fees by rule to levels necessary to defray administrative costs. The bill would remove the requirement that bingo equipment manufacturers and distributors pay an extra \$1,000 to obtain a two-year license. The bill would remove the \$10 bingo license amendment fee and allow the Lottery Commission to establish by rule a fee schedule that varies based on the complexity of the proposed license amendment.

The bill would allow the Lottery Commission by rule to impose a fee for an initial bingo worker registration application and a renewal application. The bill would require the commission to set the fee in an amount sufficient to cover the application processing costs, including a criminal history background check, identification card, and other administrative costs the commission considers appropriate.

The bill would take effect September 1, 2013.

Methodology

Based on information provided by the Texas Lottery Commission and the Sunset Commission, the bill could result in increased revenues being deposited to the credit of General Revenue each year. This analysis assumes a General Revenue increase of \$10,335 from fees collected from the establishment of a new amendment fee schedule, assuming a \$25 fee; a General Revenue increase of \$139,192 from a \$25 fee collected for initial bingo worker registration applications and renewal applications; and a General Revenue decrease of \$4,500 from the elimination of the \$1,000 fee on two-year licenses for bingo equipment manufacturers and distributors.

Based on information provided by the State Office of Administrative Hearings and the Office of the Attorney General, the bill would have no fiscal impact. Based on information provided by the Texas Lottery Commission, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be covered by using existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 116 Sunset Advisory Commission, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 360 State Office of Administrative Hearings, 362 Texas Lottery Commission

LBB Staff: UP, RB, MW, ER