

BILL ANALYSIS

C.S.H.B. 108
By: Guillen
Licensing & Administrative Procedures
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note that in recent years several lottery prize winners have fallen victim to burglary, kidnapping, harassment, fraudulent lawsuits, and other criminal activity as a result of the winners' newfound wealth. The parties further note that the Texas Lottery Commission makes public and advertises certain personally identifiable information regarding prize winners, but the parties contend that the release of such information places winners at an increased risk of harassment or harm. C.S.H.B. 108 seeks to address this issue.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Lottery Commission in SECTION 1 of this bill.

ANALYSIS

C.S.H.B. 108 amends the Government Code to authorize a natural person who is a prize winner of a lottery prize in an amount equal to \$1 million or more or who is an owner of a beneficial interest in a legal entity that is a prize winner of a lottery prize in an amount equal to \$1 million or more to choose to remain anonymous and prohibit all personally identifiable information from being released to the public. The bill authorizes the Texas Lottery Commission, on or after the 30th day after the date a prize winner claims a lottery prize and chooses to remain anonymous, to release or disclose the personally identifiable information of the winner if the winner has chosen to have the prize paid in periodic installments. The bill establishes that the amount of a lottery prize, for purposes of a prize winner's choice to remain anonymous, is the total amount of prize money paid to a prize winner for a single lottery prize claim, whether paid in one payment or in periodic installments, before deducting any federal tax withholdings or other deductions required by law. The bill specifies that the choice to remain anonymous applies only to an initial claim for a lottery prize in an amount equal to \$1 million or more that is submitted to the lottery commission on or after January 1, 2016. The bill's provisions regarding a prize winner's choice to remain anonymous do not prohibit release of a prize winner's city or county of residence nor prevent the lottery commission from releasing personally identifiable information to the Health and Human Services Commission or as required by statutory provisions governing deductions from prizes for certain delinquent taxes or child support payments or defaults on certain student loans. The bill requires the lottery commission, not later than December 1, 2015, to adopt rules and procedures necessary to implement the bill's provisions, including rules governing nondisclosure of the personally identifiable information of such lottery prize winners.

EFFECTIVE DATE

September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 108 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 466.015, Government Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) The commission shall adopt rules governing nondisclosure of the identity of certain lottery prize winners under Section 466.411.

SECTION 2. Section 466.022(b), Government Code, is amended.

SECTION 3. Subchapter I, Chapter 466, Government Code, is amended by adding Section 466.411 to read as follows:

Sec. 466.411. CHOICE BY CERTAIN PRIZE WINNERS TO REMAIN ANONYMOUS. (a) A natural person who is a prize winner of a lottery prize in an amount equal to \$1 million or more or who is an owner of a beneficial interest in a legal entity that is a prize winner of a lottery prize in an amount equal to \$1 million or more may choose to remain anonymous and prohibit all personally identifiable information from being released to the public.

(b) For purposes of this section, the amount of a lottery prize is the total amount of prize money paid to a prize winner for a single lottery prize claim, whether paid in one payment or in periodic installments, before deducting any federal tax withholdings or other deductions required by law.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 466.015, Government Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) The commission shall adopt rules governing nondisclosure of the personally identifiable information of certain lottery prize winners under Section 466.411.

SECTION 2. Same as introduced version.

SECTION 3. Subchapter I, Chapter 466, Government Code, is amended by adding Section 466.411 to read as follows:

Sec. 466.411. CHOICE BY CERTAIN PRIZE WINNERS TO REMAIN ANONYMOUS. (a) Subject to Subsection (b), a natural person who is a prize winner of a lottery prize in an amount equal to \$1 million or more or who is an owner of a beneficial interest in a legal entity that is a prize winner of a lottery prize in an amount equal to \$1 million or more may choose to remain anonymous and prohibit all personally identifiable information from being released to the public.

(b) On or after the 30th day after the date a prize winner claims a lottery prize and chooses to remain anonymous under Subsection (a), the commission may release or disclose the personally identifiable information of the winner if the winner has chosen to have the prize paid in periodic installments.

(c) For purposes of this section, the amount of a lottery prize is the total amount of prize money paid to a prize winner for a single lottery prize claim, whether paid in one payment or in periodic installments, before deducting any federal tax withholdings or other deductions required by law.

(c) This section does not prohibit release of a prize winner's city or county of residence or prevent the commission from releasing personally identifiable information as required under Sections 466.407 or 466.4075 or to the Health and Human Services Commission.

SECTION 4. (a) Not later than December 1, 2015, the Texas Lottery Commission shall adopt the rules and procedures necessary to implement the changes in law made by this Act to Chapter 466, Government Code.

(b) Section 466.411, Government Code, as added by this Act, applies only to an initial claim for a lottery prize in an amount equal to \$1 million or more that is submitted to the Texas Lottery Commission on or after January 1, 2016.

SECTION 5. This Act takes effect September 1, 2015.

(d) This section does not prohibit release of a prize winner's city or county of residence or prevent the commission from releasing personally identifiable information as required under Section 466.407 or 466.4075 or to the Health and Human Services Commission.

SECTION 4. Same as introduced version.

SECTION 5. Same as introduced version.