

Amend HB 2577 (house committee printing) as follows:

(1) On page 5, strike line 25, and substitute the following:

Sec. 2001.502. PRIZE FEE. (a) Except as provided by Subsection (b), a [A] licensed authorized

(2) On page 6, between lines 5 and 6, insert the following:

(b) A licensed authorized organization or unit that is notified by the commission under Section 2001.062 that the state's authority to collect a prize fee under this section is terminated as provided by that section shall continue to collect the prize fee. Each prize fee collected under this subsection shall be deposited into the general fund of the licensed authorized organization or unit to be used for the charitable purposes of the organization.

(3) Add the following appropriately numbered SECTIONS to the bill and renumber the SECTIONS of the bill accordingly:

SECTION _____. Subchapter B, Chapter 2001, Occupations Code, is amended by adding Section 2001.062 to read as follows:

Sec. 2001.062. COMMISSION DETERMINATION OF ILLEGAL GAMBLING IN COUNTY. (a) At the request of any person or on its own motion, the commission may determine that:

(1) a place of business located anywhere in a county in which a licensed authorized organization conducts bingo offers patrons of the business the opportunity to engage in gambling in violation of a provision of Chapter 47, Penal Code; and

(2) the conduct described by Subdivision (1) is detrimental to the conduct of charitable bingo by one or more licensed authorized organizations.

(b) If the commission makes the determination authorized under Subsection (a), the commission shall notify the comptroller, the county, each licensed authorized organization and unit as defined by Section 2001.431 that conducts bingo in the county, and each municipality located in the county that is entitled to a local share of a prize fee that the state's authority to collect a prize fee under Section 2001.502, and the entitlement to a local share under Section 2001.503, is terminated for all charitable bingo conducted in that county on the 30th day after the date of the notice.

(c) A political subdivision that receives notification by

the commission under Subsection (b) may provide evidence that the commission's determination under Subsection (a) was made in error because the activity described by Subsection (a)(1) is not occurring in that county or is not occurring to the detriment of charitable bingo as provided by Subsection (a)(2). The commission must receive the evidence from the political subdivision not later than the 30th day after the date the political subdivision receives the notice from the commission under Subsection (b). If, based on evidence provided by a political subdivision, the commission agrees that the determination was made in error, the commission may not terminate the prize fee and shall notify the comptroller, the county, each licensed authorized organization and unit that conducts bingo in the county, and each municipality located in the county that is entitled to a local share of a prize fee of the commission's decision not to terminate the collection of the prize fee.

(d) The commission shall determine whether to accept or reject the evidence presented by a political subdivision under Subsection (c) not later than the 30th day after the date the commission receives the evidence. If, after considering the evidence submitted by a political subdivision under Subsection (c), the commission determines to terminate the collection of the prize fee, the commission shall notify each political subdivision that submitted evidence of the termination. Any political subdivision that receives the notice may request an administrative hearing on the matter before the State Office of Administrative Hearings. A request for an administrative hearing under this subsection must be received by the commission not later than the 30th day after the date a political subdivision receives notification under this subsection.

(e) A determination by the commission under Subsection (a) becomes final on the 30th day after the commission's determination under that subsection unless the determination is contested as provided by Subsections (c) and (d). On a final decision under Subsection (d) by the administrative law judge upholding the commission's determination to terminate the collection of the prize fee under this section, the commission shall notify the

comptroller, the county, each licensed authorized organization and unit that conducts bingo in the county, and each municipality located in the county that is entitled to a local share of a prize fee that the state's authority to collect a prize fee under Section 2001.502, and the entitlement to a local share under Section 2001.503, is terminated for all charitable bingo conducted in that county on the 30th day after the date of the notice or on another date set by the commission.

(f) The commission shall adopt rules as necessary to implement this section. A rule adopted under this subsection may delegate to the director of the charitable bingo operations division the determination authorized by Subsection (a).

SECTION _____. Section 2001.503, Occupations Code, is amended by amending Subsections (a) and (b) and adding Subsection (d) to read as follows:

(a) Except as provided by Subsection (c) or (d), a county that imposed a gross receipts tax on the conduct of bingo as of January 1, 1993, is entitled to 50 percent of the fee collected under Section 2001.502 on a prize awarded at a game conducted in the county.

(b) Except as provided by Subsection (c) or (d), a municipality that imposed a gross receipts tax on the conduct of bingo as of January 1, 1993, is entitled to 50 percent of the fee collected under Section 2001.502 on a prize awarded at a game conducted in the municipality.

(d) A county or municipality to which this section applies is not entitled to a local share of a prize fee after the entitlement to the local share has been terminated by the commission under Section 2001.062.