

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 1, 2017**

**TO:** Honorable John Kuempel, Chair, House Committee on Licensing & Administrative Procedures

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB2577** by Thompson, Senfronia (Relating to the regulation of bingo games; authorizing fee refunds.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time; however, it is anticipated that the provisions of the bill would have a negative impact on revenue to the state and to local units of government.

The bill would amend the Occupations Code relating to the regulation of bingo games; authorizing fee refunds.

The bill would require the Texas Lottery Commission (TLC) to appoint a bingo advisory committee.

The bill would require the TLC to refund applicants for certain bingo licenses if the applicant does not use the license within one year of its issuance, requests a withdrawal of the application before the license is issued, or is denied licensure by TLC. The bill allows TLC to retain certain amounts, depending on the license type, to defray administrative costs.

The bill would amend the requirement that licensed authorized bingo organizations remit to TLC a fee in the amount of five percent of the value of all bingo prizes awarded, to require remittance of five percent of the value of all bingo prizes of more than \$5 awarded. This provision applies only to the collection or remittance of a bingo prize fee for a bingo prize awarded on or after October 1, 2017.

The bill repeals a section of the Occupations Code relating to the use of criminal history record information in bingo licensing.

Unless otherwise specified, the bill would take effect September 1, 2017.

Based on information provided by TLC and the Comptroller of Public Accounts (CPA), it is estimated that provisions of the bill requiring refunds of licensing and registration fees could result in an annual revenue loss to General Revenue of up to \$20,000.

The CPA estimates that the bill's provisions regarding remittance of prize fees by bingo organizations to the state would likely have a negative impact on both the state and local units of government, as certain counties and municipalities are entitled to half of the amount of prize fees remitted to the state; however, the amount cannot be estimated.

Based on the analysis of TLC and the CPA, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

### **Local Government Impact**

The fiscal implications of the bill cannot be determined at this time.

**Source Agencies:** 304 Comptroller of Public Accounts, 362 Texas Lottery Commission

**LBB Staff:** UP, CL, EH, AO, LCO