

By: Thompson of Harris

H.B. No. 914

Substitute the following for H.B. No. 914:

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C.S.H.B. No. 914

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of bingo games.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 2001.305(b) and (c), Occupations Code, are amended to read as follows:

(b) Immediately after issuing [~~receiving~~] a license, the commission [~~a license holder~~] shall send a copy of the license to the appropriate governing body. The governing body shall file the copy of the license in a central file containing licenses issued under this chapter.

(c) Not later than the 10th day after the date a license is issued, the commission [~~license holder~~] shall give written notice of the issuance of the license to:

(1) the police department of the municipality in which bingo will be conducted, if bingo is to be conducted in a municipality; or

(2) the sheriff of the county in which bingo will be conducted, if bingo is to be conducted outside a municipality.

SECTION 2. Section 2001.313(h), Occupations Code, is amended to read as follows:

(h) A licensed authorized organization may employ an individual who is not on the registry established by this section as an operator, manager, cashier, usher, caller, or salesperson on a provisional basis if the individual is awaiting the results of a

1 background check by the commission:

2 (1) for a period not to exceed 30 [~~14~~] days if the
3 individual is a resident of this state; or

4 (2) for a period to be established by commission rule
5 if the individual is not a resident of this state.

6 SECTION 3. Section 2001.419, Occupations Code, is amended
7 by amending Subsections (c), (d), and (e) and adding Subsections
8 (c-1) and (f) to read as follows:

9 (c) Except as provided by Subsection (c-1), no [~~No~~] more
10 than two bingo occasions may be conducted at the same premises
11 during one day except that a third bingo occasion may be conducted
12 under a temporary license held by a licensed authorized
13 organization at that premises.

14 (c-1) In addition to the bingo occasions authorized at the
15 same premises during one day under Subsection (c), on not more than
16 three days of a calendar week, one or two additional bingo occasions
17 may be held at the same premises at which bingo occasions are
18 conducted under that subsection under the annual license of one or
19 more licensed authorized organizations.

20 (d) If more than one bingo occasion is conducted at the same
21 premises on the same day:

22 (1) the bingo occasions must be announced separately;

23 (2) the licensed times may not overlap; and

24 (3) notwithstanding Subsection (e), bingo cards may be
25 sold during a bingo occasion for play during a subsequent bingo
26 occasion that is scheduled to begin at the same premises in not more
27 than eight hours after the sale of cards for the subsequent occasion

1 begins.

2 (e) Bingo cards, pull-tab bingo tickets, and the use of
3 card-minding devices [~~paper~~] for a bingo occasion may be sold at the
4 licensed premises at any time beginning one hour before the bingo
5 occasion and ending at the conclusion of the bingo occasion
6 [~~begins~~].

7 (f) If pull-tab bingo tickets are sold by one licensed
8 authorized organization that conducts consecutive bingo occasions
9 during one day, the organization may account for and report all of
10 the pull-tab bingo ticket sales for the occasions as sales for the
11 final occasion.

12 SECTION 4. Section 2001.451, Occupations Code, is amended
13 by amending Subsections (b) and (g) and adding Subsection (g-1) to
14 read as follows:

15 (b) Except as provided by Section 2001.502(a), a [A]
16 licensed authorized organization shall deposit in the bingo account
17 all funds derived from the conduct of bingo, less the amount awarded
18 as cash prizes under Sections 2001.420(a) and (b). Except as
19 provided by Subsection (b-1), a deposit must be made not later than
20 the third [~~second~~] business day after the day of the bingo occasion
21 on which the receipts were obtained.

22 (g) Except as provided by Subsection (g-1), the [The] bingo
23 operations of a licensed authorized organization must [+]

24 [~~(1) result in net proceeds over the organization's~~
25 ~~license period, or~~

26 [~~(2) if the organization has a two-year license,~~]
27 result in net proceeds for the organization's bingo operations over

1 each 18-month [~~12-month~~] period beginning on the first [~~that ends~~
2 ~~on an~~] anniversary of the date the initial [~~two-year~~] license was
3 issued to the organization.

4 (g-1) The bingo operations of a unit as defined by Section
5 2001.431 must result in net proceeds for the unit's bingo
6 operations over each 18-month period beginning on the first
7 anniversary of the date the unit is formed.

8 SECTION 5. Section 2001.502, Occupations Code, is amended
9 to read as follows:

10 Sec. 2001.502. PRIZE FEE. (a) A licensed authorized
11 organization or unit as defined by Section 2001.431 shall[+]

12 [~~(1)~~] collect from a person who wins a cash bingo prize
13 of more than \$5 a fee in the amount of five percent of the amount [~~or~~
14 ~~value~~] of the prize. Each quarter, the licensed authorized
15 organization or unit shall remit 50 percent of the amount collected
16 as the prize fee to the commission and:

17 (1) if a county or municipality in which the bingo game
18 is conducted voted before November 1, 2019, to impose the prize fee,
19 remit 50[+ and

20 [~~(2)~~ ~~remit to the commission a fee in the amount of~~
21 ~~five] percent of the amount collected as the prize fee to:~~

22 (A) the county in which the bingo game is
23 conducted, if the county voted to impose the fee by that date and
24 the location at which bingo is conducted is not within the
25 boundaries of a municipality;

26 (B) the municipality in which the bingo game is
27 conducted, if the municipality voted to impose the fee by that date

1 and the county in which the bingo game is conducted did not vote to
2 impose the fee by that date; or

3 (C) in equal shares, the county and the
4 municipality in which the bingo game is conducted, if the county and
5 municipality each voted to impose the fee before that date; or

6 (2) if a county or municipality is not entitled to a
7 percentage of the amount of fees collected under Subdivision (1),
8 deposit 50 percent of the amount collected as the prize fee in the
9 general charitable fund of the organization or on a pro rata basis
10 to the general funds of the organizations comprising the unit, as
11 applicable, to be used for the charitable purposes of the
12 organization or organizations [~~or value of all bingo prizes of more~~
13 ~~than \$5 awarded~~].

14 (b) The governing body of a county or municipality that
15 voted to impose a prize fee under Subsection (a) may at any time
16 vote to discontinue the imposition of the fee. If a county or
17 municipality votes after November 1, 2019, to discontinue the fee,
18 the fees shall be collected by the licensed authorized organization
19 or unit as defined by Section 2001.431 and deposited as provided by
20 Subsection (a)(2).

21 (c) A fee collected under Subsection (a) does not apply to:

22 (1) a merchandise prize awarded as a prize for winning
23 a bingo game, including a bingo card, a pull-tab bingo ticket, a
24 bingo dauber, or other bingo merchandise; or

25 (2) the use of a card-minding device awarded as a prize
26 for winning a bingo game.

27 SECTION 6. Section 2001.504(a), Occupations Code, is

1 amended to read as follows:

2 (a) A fee on prizes authorized or imposed under this
3 subchapter is due and is payable by the license holder or a person
4 conducting bingo without a license to the commission and county or
5 municipality, as applicable, quarterly on or before the 25th day of
6 the month succeeding each calendar quarter.

7 SECTION 7. The heading to Section 2001.507, Occupations
8 Code, is amended to read as follows:

9 Sec. 2001.507. COLLECTION AND DEPOSIT [~~DISBURSEMENT~~] OF
10 PRIZE FEE.

11 SECTION 8. Section 2001.507, Occupations Code, is amended
12 by amending Subsection (a) and adding Subsection (a-1) to read as
13 follows:

14 (a) The commission shall deposit the revenue collected from
15 the fee on prizes imposed by Section 2001.502 to the credit of [~~a~~
16 ~~special account in~~] the general revenue fund.

17 (a-1) The revenue collected by the commission from the fee
18 on prizes imposed by Section 2001.502 is considered miscellaneous
19 revenue for purposes of appropriations made to the commission under
20 the General Appropriations Act for the administration of this
21 chapter.

22 SECTION 9. Section 404.073(c), Government Code, is amended
23 to read as follows:

24 (c) Interest that has been and that will be accrued or
25 earned from deposits made under a law to which this subsection
26 applies is state funds not subject to allocation or distribution to
27 taxing units, cities, or transportation authorities under that law.

1 This subsection applies to:

- 2 (1) Section 205.02, Alcoholic Beverage Code;
- 3 (2) [~~Section 2001.507, Occupations Code,~~
- 4 [~~3~~] Section 403.105(d) of this code;
- 5 (3) [~~4~~] Sections 321.501 and 321.504, Tax Code;
- 6 (4) [~~5~~] Sections 322.301 and 322.304, Tax Code; and
- 7 (5) [~~6~~] Sections 323.501 and 323.504, Tax Code.

8 SECTION 10. The following provisions of the Occupations
9 Code are repealed:

- 10 (1) Section 2001.103(a-1);
- 11 (2) Section 2001.104;
- 12 (3) Section 2001.313(b-3);
- 13 (4) Section 2001.437(i);
- 14 (5) Section 2001.503; and
- 15 (6) Sections 2001.507(b), (c), (d), (e), (f), (g),
16 (h), and (i).

17 SECTION 11. (a) A county or municipality may receive a
18 portion of the prize fee collected under Section 2001.502,
19 Occupations Code, as amended by this Act, after the effective date
20 of this Act only if:

21 (1) the county or municipality was entitled to receive
22 a portion of a bingo prize fee as of January 1, 2019; and

23 (2) the governing body of the county or municipality:

24 (A) by majority vote of the members of the
25 governing body approves the continued receipt of funds under that
26 section and notifies the Texas Lottery Commission of that decision
27 not later than November 1, 2019; and

1 (B) notifies each licensed authorized
2 organization within the county's or municipality's jurisdiction, as
3 applicable, of the continued imposition of the fee.

4 (b) Not later than October 1, 2019, the Texas Lottery
5 Commission shall notify the governing body of a county or
6 municipality that was entitled to receive a portion of the prize fee
7 collected under Section 2001.502, Occupations Code, as that section
8 existed immediately before the effective date of this Act, of the
9 requirements for continued receipt of the prize fee under that
10 section as provided in Subsection (a) of this section.

11 SECTION 12. Section 2001.305, Occupations Code, as amended
12 by this Act, applies only to an authorized organization license or a
13 commercial lessor license that is issued under Chapter 2001,
14 Occupations Code, on or after the effective date of this Act. An
15 authorized organization license or a commercial lessor license
16 issued before the effective date of this Act is governed by the law
17 as it existed immediately before the effective date of this Act, and
18 that law is continued in effect for that purpose.

19 SECTION 13. (a) Except as otherwise provided by Subsection
20 (b) of this section, this Act takes effect January 1, 2020.

21 (b) The following provisions take effect September 1, 2019:

22 (1) Section 2001.502(c), Occupations Code, as added by
23 this Act;

24 (2) Section 2001.507(a), Occupations Code, as amended
25 by this Act; and

26 (3) Section 2001.507(a-1), Occupations Code, as added
27 by this Act.