

## **BILL ANALYSIS**

H.B. 770  
By: Wu  
Licensing & Administrative Procedures  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

It has been suggested that the game of poker is a betting game of skill rather than chance, but that individuals wishing to form a commercial poker club often face difficulties due to a lack of clarity regarding the game's definition in statute. H.B. 770 seeks to address this issue by authorizing the licensing and regulation of poker clubs in counties with a population greater than four million.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill expressly does one or more of the following: creates a criminal offense, increases the punishment for an existing criminal offense or category of offenses, or changes the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 770 amends the Local Government Code to authorize the commissioners court of a county with a population of four million or more to regulate the operation of private, for-profit poker clubs, including through restricting the location and number of poker clubs in the county. The bill authorizes a county to require a poker club owner or operator, as defined by the bill, to obtain or renew a license on a periodic basis to own or operate a poker club in the county and to impose a fee for the license application or renewal. An application for the license must be made in accordance with county regulations, which may establish qualifications for an owner or operator and provide for the denial, suspension, or revocation of a license for certain violations. A district court in the county has jurisdiction of a suit that arises from the denial, suspension, or revocation of a license by the county.

H.B. 770 authorizes a county employee to inspect a business containing one or more poker gaming tables to determine whether the business is in compliance with the bill's provisions and authorizes a county to sue in district court for an injunction to prohibit the violation or threatened violation of a regulation or order adopted to regulate poker clubs. The bill makes a person who violates such a regulation or order liable to the county for a maximum \$10,000 civil penalty for each violation, authorizes the county to bring suit in district court to recover the penalty, and entitles the county to recover reasonable expenses incurred in obtaining the relief, penalty, or both.

H.B. 770 creates a Class A misdemeanor offense for a person who intentionally or knowingly operates a poker club in violation of a regulation or order adopted under the bill's provisions. If a person is subject to prosecution for that offense and prosecution under any other law, the

person may be prosecuted under either or both laws. The bill expressly does not legalize any activity prohibited under the Penal Code or other state law and establishes that a person's compliance with the bill's provisions is not a defense to prosecution for a gambling offense.

H.B. 770 establishes the following:

- a county order regulating poker clubs prevails over a municipal ordinance, to the extent of a conflict; and
- a county's authority to regulate poker clubs is cumulative of other authority a county is granted to regulate poker clubs and does not limit that authority.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2021.