

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 31, 2021

TO: Honorable Senfronia Thompson, Chair, House Committee on Licensing & Administrative Procedures

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2204 by Thompson, Senfronia (relating to the conduct of charitable bingo.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Occupations Code as it relates to charitable bingo and temporary licenses, bingo prize limits, and the administration of bingo games and bingo organizations.

The bill would increase the number of temporary licenses an authorized bingo organization can receive during a twelve month period. The bill would require the Texas Lottery Commission (TLC) to electronically issue temporary licenses on-demand upon approval of the associated application. The bill would specify that notice requirements would not apply to temporary licenses issued to those possessing a regular license.

The bill would amend lawful conduct and requirements during the administration of bingo games, including exceptions to restrictions on the types of games allowed during occasions of bingo.

The bill would alter bingo prize amounts. The bill would remove the \$750 bingo prize limit of a single game and would increase the amount that a person can be awarded on a single bingo occasion to no more than \$3,500.

The bill would extend the time frame for depositing the funds derived from the conduct of bingo after the awarding of cash prizes. The bill would similarly extend the time period over which authorized bingo organizations are required to demonstrate the generation of net proceeds.

The bill would clearly state the allocation of the remittances of bingo prize fees to authorized entities, including those due to the Texas Lottery Commission (TLC).

TLC estimates increases in the number of temporary licenses issued would require additional staff time to process the requests and to provide the appropriate notification. The agency also projects that computer programming services may be required to modify the Bingo Operations System Service according to provisions within the bill. It is assumed that the costs associated with the bill's provisions relating to charitable bingo could be absorbed using existing state resources.

TLC and the Comptroller's Office anticipate that the changes to the bingo prize limits could attract additional players to bingo halls which would increase net proceeds. This increase cannot be quantified at this time.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 362 Texas Lottery Commission

LBB Staff: JMc, SZ, MB, EJ