

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 23, 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 charitable bingo.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>
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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 upon approval of the associated application.

The bill would specify requirements for the administration of bingo games and 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 that bingo organizations have to deposit the funds derived from the conduct of bingo after the awarding of cash prizes from two business days to three business days. The bill would similarly extend the time period over which authorized bingo organizations are required to demonstrate the generation of net proceeds from twelve months to twenty-four months.

The bill would clearly state the allocation of the remittances of bingo prize fees to authorized entities.

The Lottery Commission (TLC) estimates that the number of temporary licenses issued would double as result of this bill which would require additional staff time to process the number of 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 anticipates 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