

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 20, 2021

TO: Honorable Bryan Hughes, Chair, Senate Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2204 by Thompson, Senfronia (relating to the conduct of charitable bingo.), **Committee Report
2nd 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 certain notice requirements would not apply to temporary licenses issued to those possessing a regular license.

The bill would amend the limit on the aggregate value of bingo prizes that a person may be offered or awarded on a single bingo occasion.

The bill would revise the amount of time each member of a unit shall have to deposit to the unit's bingo account of all funds derived from the conduct of bingo as well as revise 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 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, SMAT, MB, EJ, SZ