

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 21, 2023

TO: Honorable Todd Hunter, Chair, House Committee on State Affairs

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HJR155 by Geren (Proposing a constitutional amendment to foster economic development and job growth, provide tax relief and funding for education and public safety programs, support the horse racing industry, and reform horse racing and greyhound racing by authorizing casino gaming at destination resorts, creating the Texas Gaming Commission, authorizing sports wagering, requiring a license to conduct casino gaming, requiring the imposition of casino gaming and sports wagering taxes, requiring license application fees, and authorizing Tribal-State compacts related to gaming.), **As Introduced**

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$204,406.

The resolution would propose an amendment to Article III of the Texas Constitution (Legislative Department) to add Section 47a, to provide for casino gaming and wagering on sporting events.

The amendment would require the legislature to establish the Texas Gaming Commission and authorize issuance of eight Class I casino gaming licenses for resort destinations in certain metropolitan statistical areas of the state.

The amendment would require that a federally recognized Indian tribe be allowed to operate slot machines or casino gaming on its Indian land, subject to agreement or law and require the governor to negotiate a Tribal state compact as prescribed by law.

The amendment would allow the legislature by general law to authorize and regulate the placing of wagers on sporting events.

The amendment would require minimum investment commitments for destination resorts as a condition for a Class I casino gaming license and provide for other criteria to be considered for the issuance of a Class I license.

The amendment would require the Legislature, by general law, to impose tax at a rate of 15 percent of gross gaming revenue.

The proposed constitutional amendment would be submitted to voters at an election to be held November 7, 2023.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 362 Texas Lottery Commission, 476 Racing Commission

LBB Staff: JMc, SMAT, SD, BRI