

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 2, 2025

TO: Honorable Dade Phelan, Chair, House Committee on Licensing & Administrative Procedures

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4172 by Thompson (relating to regulating charitable bingo and authorizing the establishment of a nonprofit corporation to advertise and promote charitable bingo.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

According to the Texas Lottery Commission, the 15 percent cap the bill would place on the amount of bingo prize fee revenue transferable to a newly created nonprofit organization would have an impact on units of local government. For context, based on calendar year 2023 data, local governments collected \$12.3 million in prize fees; 15 percent of that amount is \$1.86 million. That would be the maximum amount licensees could choose to transfer to the nonprofit organizations in lieu of local governments. Raising the amount of a bingo prize that is exempt from prize fees from \$5 to \$100 would also have an impact on units of local government; however, that impact is indeterminate due to a lack of data necessary to estimate.

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

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