

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 3, 2007

TO: Honorable Kino Flores, Chair, House Committee on Licensing & Administrative Procedures

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2265 by Haggerty (Relating to the prizes awarded in a progressive bingo game.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2265, As Introduced: a positive impact of \$3,074,000 through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$1,322,000
2009	\$1,752,000
2010	\$1,771,000
2011	\$1,790,000
2012	\$1,807,000

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from GENERAL REVENUE FUND 1	Probable Revenue Gain from Cities	Probable Revenue Gain from Counties
2008	\$1,322,000	\$558,000	\$613,000
2009	\$1,752,000	\$740,000	\$813,000
2010	\$1,771,000	\$748,000	\$822,000
2011	\$1,790,000	\$756,000	\$830,000
2012	\$1,807,000	\$763,000	\$838,000

Fiscal Analysis

The bill would amend the Occupations Code relating to the prizes awarded in a progressive bingo game by increasing the maximum prize for a single progressive bingo game to \$50,000 and requiring the Texas Lottery Commission (TLC) to adopt rules necessary to implement the provisions of the bill.

This bill would take effect immediately upon receiving a vote of two-thirds of all members elected to each house or would otherwise take effect on September 1, 2007.

Methodology

Based on the analysis of the Comptroller of Public Accounts (CPA), the bill would result in a revenue gain to the General Revenue Account of \$1,322,000 in fiscal year 2008; \$1,752,000 in fiscal year 2009; \$1,771,000 in fiscal year 2010; \$1,790,000 in fiscal year 2011; and \$1,807,000 in fiscal year 2012. The revenue gain identified by the CPA is based on the assumption that rolling jackpots and the increased maximum prize for progressive bingo games would increase total prize payouts and increase the number of bingo occasions around the state, thereby increasing the total amount prize fee revenue generated.

Based on the analysis of TLC, it is assumed that any duties and responsibilities associated with implementing the provision of the bill could be accomplished by utilizing existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated. Impact to local jurisdictions is reflected in the table above.

Source Agencies: 304 Comptroller of Public Accounts, 362 Texas Lottery Commission
LBB Staff: JOB, JRO, MW, TGI