

BILL ANALYSIS

Senate Research Center
76R440 JSA-D

S.B. 584
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Finance
4/20/1999
As Filed

DIGEST

Currently, there is no instant lottery game, the revenue from which could be used to fund the Hope adult literacy grant program. S.B. 584 would establish the Hope adult literacy grant program to be funded by revenue from a special lottery game.

PURPOSE

As proposed, S.B. 584 establishes the Hope adult literacy grant program to be funded by revenue from a special lottery game.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Texas Education Agency in SECTION 3 (Section 7.025(e), Chapter 7B, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 466B, Government Code, by adding Section 466.026 as follows:

Sec. 466.026. GAME TO FUND HOPE ADULT LITERACY GRANT PROGRAM. Requires the Texas Lottery Commission (commission) to operate a lottery game to fund the Hope adult literacy grant program established by Section 7.025, Education Code. Requires the commission to operate the game as an instant-win game and to provide game tickets to be available for sale continuously to the extent practicable. Authorizes the commission to vary the manner in which the game is played or conducted as the commission determines appropriate. Requires the commission to market and advertise the lottery game operated under this section in the manner intended to inform the public that tickets to the game are available for purchase and net proceeds from the game are to be used to fund adult literacy programs in this state. Requires the commission to consider any recommendations made by the Texas Higher Education Coordinating Board (THECB) and Texas Education Agency (agency) relating to the marketing and advertising of the game. Requires the commission to encourage each ticket sales agent that sells tickets to instant-win or similar types of lottery games to sell tickets to the lottery game operated under this section. Prohibits the commission from operating, marketing, or advertising any other lottery game to fund or support a specific program or purpose.

SECTION 2. Amends Section 466.355, Government Code, by amending Subsection (b) and adding Subsection (c) to require that the state lottery account balance, after creation of a reserve sufficient to pay the amounts needed or estimated to be needed under Subdivisions (1) through (3), be transferred on or before the 15th day of each month as follows: the portion of the balance attributable to the lottery game operated under Section 466.026 to the portion of the balance attributable to the lottery game operated under Section 466.026 to the Hope literacy account established by Section 7.025, Education Code; and the remainder to the foundation school fund. Provides that the portion of the balance of the state lottery account attributable to the lottery game operated under Section 466.026 for each period for which a distribution is made under Subsection (b) is an amount equal to the revenue from the sale of tickets to the lottery game operated under Section 466.026 for the period less an amount calculated by multiplying the total amount deposited to the reserve account to pay the amounts needed or estimated to be needed for the period under Subsections (b) (1) - (3) by a fraction, the numerator of which is the revenue from the sale of tickets to the lottery game operated under Section 466.026 for the period and the denominator of which is the total revenue from the sale of tickets to all lottery games for the period.

SECTION 3. Amends Chapter 7B, Education Code, by adding Section 7.025 as follows:

Sec. 7.025. HOPE ADULT LITERACY GRANTS. Provides that the Hope adult literacy account is established as an account in the general revenue fund. Provides that the Hope adult literacy account consists of: money transferred to the account under Section 466.355, Government Code; gifts and grants made to the account; amounts appropriated to the account by the legislature; other money the agency obtains for deposit to the account; and interest earned on the money in the account. Authorizes the agency to make grants from the interest earned on the money in the account to adult literacy programs that the agency determines will most effectively use the grant to further adult literacy in this state. Authorizes a grant to only be made to fund a program operated by a nonprofit community-based organization approved by the agency or by a consortium or association that includes a nonprofit community-based organization approved by the agency as a principal participant. Prohibits the agency from distributing the principal of the account. Requires the agency to establish an advisory committee to assist the agency in administering this section. Requires the agency to establish the terms of the appointed members of the advisory committee. Sets forth the manner in which the nine-member advisory committee is selected. Requires the agency to adopt rules for the awarding and distribution of grants under this section.

SECTION 4. Effective date: September 1, 1999.

SECTION 5. Makes application of this Act prospective.

SECTION 6. Emergency clause.