

BILL ANALYSIS

Senate Research Center

S.J.R. 64
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Every day dozens of established bus routes transport Texans to casino gaming locations in neighboring states. Each year, Texans spend an estimated \$3 billion at these facilities and an additional \$1.4 billion on food, lodging, and other tourism activities. The tax revenue generated from this money is used to fund their schools, highways, public safety programs, and more.

At the same time, race tracks in neighboring states impose rules that prohibit horses born in Texas from racing except in limited circumstances and for limited dollars. Texas horses were once among the most competitive and prized in the country but the racing field has been unfairly tilted to siphon the horse industry out of Texas. It is working—Texas's once admired horses are no longer valued and the industry has all but died.

The establishment of world-class casino resorts would bring significant economic development to Texas, creating tens of thousands of jobs in hospitality and related sectors such as hotel, food and beverage, retail, entertainment, and spa. Development of destination casino resorts would revive the state's tourism industry, giving Texans new entertainment options in-state and drawing new visitors to Texas, spurring new opportunities for small businesses and entrepreneurs. At a minimum, the creation of destination casino resorts would be expected to create 75,000 new jobs in over 40 different sectors of the economy, making it one of the largest job creation opportunities in Texas. This significant economic activity would generate increased revenues for much-needed infrastructure in Texas such as for education, water, and transportation projects—without raising taxes.

Along with casinos, revitalized racetracks would provide state-of-the-art facilities and valuable investment for Texas horses, restoring this iconic industry and reviving opportunities for farmers, ranchers, trainers, breeders, and veterinarians. By simply leveling the playing field with neighboring states, Texas's tradition of thoroughbred and quarter horse racing can once again be the finest in the country.

S.J.R. 64 gives Texans the opportunity to vote on a constitutional amendment to allow for the creation and operation of destination casino resorts in the state. S.J.R. 64 creates the Texas Gaming Commission, authorizes the creation of nine destination resort casinos based on certain criteria, establishes application fees for those casinos, provides for a tax on gross gaming revenue, and prescribes the allocation of the revenue. S.J.R. 64 additionally authorizes the operation of slot machines at licensed horse and greyhound racetracks and for casino gaming on the tribal lands of the three federally recognized Indian tribes in Texas.

S.J.R. 64 proposes a constitutional amendment providing immediate additional revenue for the state budget by creating the Texas Gaming Commission, and authorizing and regulating the operation of casino games and slot machines by a limited number of licensed operators and certain Indian tribes.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Gaming Commission in SECTION 2 (Section 47a, Article III, Texas Constitution) and SECTION 3 (Section 47b, Article III, Texas Constitution) of this bill.

Rulemaking authority is expressly granted to the Texas Racing Commission in SECTION 2 (Section 47a, Article III, Texas Constitution) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 47(a), Article III, Texas Constitution, to provide for an exception under Sections 47a and 47b, Article III, Texas Constitution, to the prohibition on lotteries and gift enterprises in this state.

SECTION 2. Amends Article III, Texas Constitution, by adding Section 47a, as follows:

Sec. 47a. (a) Provides that Casino gaming and slot gaming are authorized in this state in accordance with this section to provide additional money for the property tax relief fund and additional financial aid for higher education students.

(b) Establishes the Texas Gaming Commission (TGC). Provides that TGC is composed of five members appointed by the governor with the advice and consent of the senate. Provides that TGC members serve staggered six-year terms, with one or two members' terms expiring February 1 of each odd-numbered year, as applicable. Requires the governor to fill a vacancy in a position on TGC for the remainder of an unexpired term. Requires the governor to designate a TGC member as presiding officer of TGC to serve in that capacity at the pleasure of the governor.

(c) Provides that to be eligible for appointment to TGC, a person:

(1) is required to be a citizen of the United States;

(2) is required to have resided in this state for the two years preceding the date of the person's appointment;

(3) is prohibited from owning a financial or other interest in an entity engaged in the conduct of casino or slot gaming or the provision of casino or slot services, or in a security issued by such an entity, or be related within the second degree by affinity or the third degree by consanguinity as determined by general law to an individual who owns such a financial or other interest or security;

(4) is prohibited from being an applicant for or holder of a license or other affirmative regulatory approval under a law administered by TGC; and

(5) is prohibited from being a member of the governing body of a political subdivision of this state.

(d) Provides that TGC has broad authority and is required to exercise strict control and close supervision over all activities related to casino and slot gaming authorized and conducted in this state under this section or another law administered by TGC.

(e) Requires TGC to appoint an executive director and other necessary personnel and adopt rules TGC considers necessary or desirable for the public interest in carrying out the policy and provisions of this section and the other laws administered by TGC, including rules on:

(1) licensing and regulating casino owners, slot establishment owners, gaming managers, gaming employees, and manufacturers and distributors of gaming equipment, including the qualifications, definitions, terms, and fees for licenses;

(2) criteria for awarding, denying, revoking, and suspending licenses;

- (3) exclusion of persons and age requirements;
- (4) procedures for conducting investigations, inspections, criminal background investigations, audits, complaint investigations, and disciplinary hearings;
- (5) reporting and internal control requirements for license holders;
- (6) consequences of criminal convictions of license holders or applicants;
- (7) enforcement provisions, including disciplinary actions and penalties, and security requirements;
- (8) prize payment and redemption;
- (9) regulating the operations of casinos and slot establishments;
- (10) standards for gaming equipment; and
- (11) certifying independent testing laboratories to scientifically test and technically evaluate slot machines, electronic tables games, slot accounting systems and other electronic gaming equipment as determined by TGC for compliance with the laws of the State of Texas and the rules of TGC. Requires gaming equipment manufacturers to be responsible for the payment of all costs related to testing and technical evaluations. Requires the independent testing laboratory to be accredited by an international accreditation body approved by TGC to demonstrate that it is competent and qualified to scientifically test and evaluate electronic gaming equipment. Prohibits an independent testing laboratory from being owned or controlled by an electronic gaming equipment vendor, manufacturer, or retailer.

(f) Requires TGC to:

- (1) issue nine licenses to operate casinos or slot establishments to persons who are licensed to conduct pari-mutuel wagering on horse or greyhound races in the county for which the applicants were licensed to conduct pari-mutuel wagering on horse or greyhound races as of January 1, 2013, and who comply with requirements of this section and TGC rule;
- (2) issue three licenses to conduct casino gaming in this state to persons who are licensed to conduct pari-mutuel wagering at a Class 1 racetrack as defined by Article 179e (Texas Racing Act), V.T.C.S., at the location licensed for conducting pari-mutuel wagering on horse races and who comply with requirements of this section and TGC rule;
- (3) issue three licenses to conduct casino gaming to casino-anchored destination attraction development projects in counties with a population greater than 1.5 million that comply with requirements of this section and TGC rule;
- (4) issue three licenses to conduct casino gaming to casino-anchored destination attraction development projects located on islands in the Gulf of Mexico that comply with requirements of this section and TGC rule; and
- (5) allow an Indian tribe that is recognized by the United States government under federal law to operate slot machines or casino gaming

on its Indian land held in trust by the United States on January 1, 1998, in accordance with federal law and:

(A) an effective gaming agreement that includes a provision requiring the Indian tribe to remit to this state a portion of its casino gaming or slot gaming revenue in an amount equal to the rate provided in the agreement; or

(B) general state law that includes a provision requiring the Indian tribe to remit to this state a portion of its casino gaming or slot gaming revenue in an amount equal to the rate provided by the general law.

(g) Requires TGC, in determining whether or, in the case of multiple applicants competing for a limited number of casino owner's licenses or slot establishment owner's licenses within a geographic area, to whom to grant a license, to consider the following factors:

(1) the relative prospective revenue to be collected by this state from the conduct of casino gaming at the casino or of slot gaming at the slot establishment and the overall economic impact of each competing applicant's proposed gaming and associated facilities;

(2) the relative number of residents of this state who would be employed in an applicant's proposed casino or slot establishment and any proposed associated hotel and nongaming businesses and the relative extent of the applicant's good faith plan to recruit, train, and promote a workforce that reflects the diverse populations of this state in all employment classifications;

(3) the relative extent to which an applicant's proposed casino or slot establishment and any proposed associated hotel and nongaming businesses could be reasonably expected to encourage interstate tourism to this state;

(4) the relative extent to which the scope, design, location, and construction of the applicant's casino or slot establishment and any associated hotel and nongaming businesses could be reasonably expected to contribute to developing a first-class gaming industry in this state;

(5) the applicant's experience in conducting licensed gaming operations and the applicant's financial ability to promptly construct and adequately maintain the casino or slot establishment sought to be licensed, including the experience of partners of the applicant, of affiliated companies of the applicant or its partners, of key personnel of the applicant or its partners, and of operating companies under contract with the applicant; and

(6) the percentage of equity interest in the applicant owned or to be owned by residents of this state.

(h) Requires TGC, to ensure that a requisite level of economic development benefiting the people of this state accompanies each casino for which an owner's license is granted, to require an applicant to commit to building a casino-anchored destination attraction development project that includes total land and development costs of at least \$1 billion for a project described in Subsection (f)(3) of this section, or \$250 million for a project described in Subsection (f)(4) of this section as a condition to receiving and holding an owner's license.

(i) Provides that, notwithstanding Subsection (f) of this section:

(1) a license under Subsection (f)(1), (2), (3) or (4) is prohibited from being issued in a county unless a majority of the voters of the county voted for the proposition that added this section to this constitution, or the voters of the county have approved a proposition legalizing casino gaming at a local option election held under this section;

(2) not more than two casino or slot establishment licenses are authorized to be issued for projects to be located in the same county;

(3) TGC is prohibited from issuing more than three licenses for casinos and slot establishments located in any single Metropolitan Statistical Area, as that term is defined by the United States Office of Management and Budget;

(4) a casino owner's license is prohibited from being issued for a location in an area in which casino gaming or slot gaming is prohibited under a gaming agreement between an Indian tribe and this state;

(5) TGC is required to issue licenses provided for in Subsection (f)(4) prior to accepting applications for licenses under Subsection (f)(3); and

(6) a casino owner's license is prohibited from being issued for a location within five miles of property which the General Land Office (GLO) is required to preserve and protect pursuant to Section 31.0515 (Duties Related to the Alamo Complex), Natural Resources Code.

(j) Provides that the Texas casino and slot gaming fund is a special fund in the state treasury. Requires that all application fees, investigation fees, and license fees collected by TGC or on TGC's behalf related to casino and slot gaming be deposited to the credit of the Texas casino and slot gaming fund. Authorizes that the Texas casino and slot gaming fund to only be used for the operation of TGC and the administration of this section, except as provided by this section. Requires the legislature to transfer any excess amount to the dedicated account known as the property tax relief fund in the general revenue fund if the money in the fund exceeds the amount necessary for the operation of TGC and the administration of this section. Authorizes money from the property tax relief fund to only be appropriated for a purpose that results in a reduction of the average school district maintenance and operations tax rate or as otherwise provided by general law.

(k) Requires an applicant applying for an owner's license for a slot establishment as set forth in Subsection (f)(1) to submit to TGC a \$15 million application fee; an applicant applying for an owner's license for a casino as set forth in Subsection (f)(1) to submit to TGC a \$25 million application fee; an applicant applying for an owner's license as set forth in Subsection (f)(2) to submit to TGC a \$50 million application fee; an applicant applying for an owner's license as set forth in Subsection (f)(3) to submit to TGC a \$50 million application fee; and an applicant applying for an owner's license as set forth in Subsection (f)(4) to submit to TGC a \$25 million application fee. Requires TGC to refund the application fee less the costs incurred by TGC in reviewing the application and conducting a criminal background investigation on the applicant if an applicant is not awarded an owner's license.

(l) Imposes a casino gaming tax in an amount equal to 20 percent of the gross gaming revenue on each holder of a casino owner's license for facilities determined by TGC to have invested less than \$1 billion in the casino facility. Requires that the tax be computed and paid on a monthly basis in accordance with the procedures established by rule of TGC.

(m) Imposes a slot gaming tax in an amount equal to 20 percent of the gross slot income of the slot establishment operated under the license on each holder of a slot establishment owner's license. Requires that the tax be computed and paid on a monthly basis in accordance with the procedures established by rule of TGC.

(n) Requires the casino gaming tax imposed under Subsection (l) to be reduced to an amount equal to 15 percent of the gross gaming revenue for facilities determined by TGC to have invested \$1 billion or more in the casino facility.

(o) Provides that, of the revenue from the taxes imposed by Subsections (l) and (m) of this section, one-twentieth of the revenue is allocated to the municipality in which the casino to which the license relates is located and one-twentieth of the revenue is allocated to the county in which the casino to which the license relates is located, or if the casino is located in an unincorporated area, one-tenth of the revenue is allocated to the county in which the casino to which the license relates is located.

(p) Requires the comptroller of public accounts of the State of Texas (comptroller) to transfer the appropriate amount allocated under Subsection (o) of this section to the appropriate municipalities and counties not less than monthly in the manner the comptroller considers appropriate.

(q) Provides that, except as otherwise provided by this section, the revenue from the taxes imposed by Subsections (l) and (m) of this section is allocated as follows:

(1) one-fortieth to the general revenue fund for appropriation only to fund a compulsive gambling program established by TGC;

(2) one-fortieth to the general revenue fund for appropriation only to TGC to provide grants to prosecuting attorneys in this state for the investigation and prosecution of offenses related to the possession of gambling devices and illegal gambling operations; and

(3) the remainder to the property tax relief fund in the general revenue fund.

(r) Requires the comptroller to determine the net amount of receipts collected from a casino or slot establishment from the sales and use taxes, hotel occupancy taxes, alcoholic beverage taxes, and franchise taxes imposed under general law, or from other taxes imposed under general law as provided by the legislature in general law, and to deposit that amount in the general revenue fund. Authorizes the net amount deposited to only be appropriated to fund the TEXAS grant program established under Subchapter M (Toward Excellence, Access, & Success (Texas) Grant Program), Chapter 56, Education Code, or a similar program established by the legislature to provide grants to higher education students in this state.

(s) Provides that of the revenue from the taxes imposed under Subsection (l) and (m) for a casino or slot establishment located at a greyhound racetrack, nine-twentieths is allocated to a Texas canine development fund to be established and administered by the Texas Racing Commission (TRC).

(t) Provides that of the revenue from the taxes imposed under Subsection (l) and (m) for a casino or slot establishment located at a horse racetrack, two-fifths is allocated to a Texas equine development fund to be established and administered by TRC, and one-twentieth is allocated to a performance horse development fund to be established and administered by TRC.

(u) Requires that the allocations under subsections (s) and (t) be adjusted proportionally so that the total minimum allocation under those provisions does not exceed nine percent of the total gross gaming revenue for the casino for a casino at a racetrack that qualifies for the reduced tax rate under subsection (n).

(v) Requires a casino or slot establishment located at a horse racetrack to provide at least \$1 million, or the minimum coverage amount required by TRC, in accident insurance coverage for jockeys participating in a race meeting at its racetrack. Provides that TRC:

(1) is authorized to review and approve the adequacy of the coverage;

(2) is required to annually adjust for inflation the minimum coverage amount; and

(3) is required to annually publish in the Texas Register the revised minimum coverage amount.

(w) Provides that of the revenue allocated to the Texas equine development fund under Subsection (t), 0.5 percent is allocated to the equine research account of the Texas Agricultural Experiment Station for use in equine research, including facilities development under Subchapter F (Equine Research), Chapter 88, Education Code. Requires that the money transferred under this subsection supplement, and is prohibited from replacing, funding provided under Article 179e (Texas Racing Act), V.T.C.S.

(x) Requires that the remainder of the money deposited in the Texas equine development fund pursuant to Subsection (t):

(1) be used for purses and the Texas-bred incentive programs and is authorized to be used for other programs considered beneficial to the equine industry, including:

(A) equine retirement, adoption, and retraining programs;

(B) programs to test for banned performance-enhancing equine drugs, performance-enhancing drug testing research, and equipment and facilities of laboratories providing those services in this state; and

(C) other programs to improve the working environment in stable areas of racetracks; and

(2) be allocated as follows:

(A) 40 percent is required to be provided to the horsemen's organization to supplement Thoroughbred racing purses;

(B) 24.75 percent is required to be provided to the horsemen's organization to supplement quarter horse racing purses;

(C) 24.75 percent is required to be provided to the Thoroughbred state horse breed registry; and

(D) 10 percent is required to be provided to the quarter horse state horse breed registry.

(y) Requires the horsemen's organization to allocate a portion of the money for purses for the Arabian horse racing industry from the money allocated under Subsection (x)(2)(A), under an agreement between the Texas Arabian Breeders

Association and the horsemen's organization. Requires the horsemen's organization to provide 4.5 percent of the money allocated under Subsection (x)(2)(A) to the Texas Arabian horse racing industry for Arabian horse racing purses if an agreement is not made.

(z) Requires the horsemen's organization, under an agreement between the Texas Paint Horse Breeders' Association and the horsemen's organization, to allocate a portion of the money for purses for the paint horse racing industry from the money allocated under Subsection (x)(2)(B). Requires that the horsemen's organization provide three percent of the money allocated under Subsection (x)(2)(B) to the paint horse racing industry for paint horse racing purses if an agreement is not made.

(aa) Requires the registry, under an agreement between the Texas Arabian Breeders Association and the Thoroughbred state horse breed registry, to allocate a portion of the money for the Arabian horse racing industry state-breed programs from the money allocated under Subsection (x)(2)(C). Requires the Thoroughbred state horse breed registry to provide 4.5 percent of the money allocated under Subsection (x)(2)(C) to the Texas Arabian horse racing industry for state-breed programs if an agreement is not made.

(bb) Requires the registry, under an agreement between the Texas Paint Horse Breeders' Association and the quarter horse state horse breed registry, to allocate a portion of the money for state-breed programs for the paint horse racing industry from the money allocated under Subsection (x)(2)(D). Requires the registry to provide three percent of the money allocated under Subsection (x)(2)(D) to the paint horse racing industry for paint horse state-breed programs if an agreement is not made.

(cc) Provides that of the revenues deposited in the Texas canine development fund pursuant to Subsection (s):

(1) forty percent is required to be used to supplement greyhound racing purses;

(2) forty percent is required be used to supplement accredited Texas-bred greyhound purses; and

(3) twenty percent is required to be provided to the Texas Greyhound Association as the state greyhound breed registry.

(dd) Authorizes TRC to adopt rules to administer this section.

(ee) Authorizes money in the performance horse development fund to be used only for the development of the horse agricultural industry in this state through efforts intended to attract, retain, promote, and encourage the breeding, raising, training, and exhibition of performance and recreational horses in this state, and events and programs conducted in this state.

(ff) Provides that money from the performance horse development fund is allocated as follows:

(1) forty percent to the American Quarter Horse Association for its sanctioned events and programs;

(2) twenty percent to the National Cutting Horse Association for its sanctioned events and programs;

(3) twenty percent to the American Paint Horse Association for its sanctioned events and programs; and

(4) twenty percent to the Department of Agriculture to promote the equine agricultural industry in this state.

(gg) Authorizes money provided to an association or agency from the performance horse development fund, subject to Subsection (hh), to be used for:

(1) purse supplements or additional money for performance and recreational horses events conducted in this state;

(2) the establishment of an accredited Texas Bred Program for breeding of performance and recreational horses;

(3) the marketing and promotion of performance and recreational horses activities and events in this state; and

(4) scholarship programs.

(hh) Authorizes money to be provided under Subsection (ff)(4) only to organizations of the equine industry in this state that are not receiving money for events and programs under Subsection (ff)(1), (2), or (3).

(ii) Provides that all money paid to the Department of Agriculture is subject to Subchapter F, Chapter 404, except as otherwise provided by law.

(jj) Provides that casinos and slot establishments are subject to all applicable state laws and local ordinances related to health and building codes, including rules adopted by TGC. Prohibits a local ordinance or zoning law from prohibiting the development of a casino or slot establishment authorized by this section, except that a casino or slot establishment is prohibited from being located in an area that is zoned exclusively residential, unless otherwise provided by TGC rule.

(kk) Authorizes the commissioners court of a county to at any time order an election to legalize casino gaming under this section in that county. Requires the commissioners court to order and hold an election to legalize casino gaming under this section in the county if the commissioners court is presented with a petition that meets the requirements of this section and is certified as valid under this section.

(ll) Sets forth the language required to be printed on a petition for a casino gaming legalization election, printed in a position before the space reserved for signatures on each page. Provides that a petition is valid only if it is signed by registered voters of the county in a number that is not less than three percent of the total number of votes cast for governor by qualified voters of the county in the most recent gubernatorial general election. Requires each voter to enter beside the voter's signature the date the voter signs the petition. Prohibits a signature from being counted as valid if the date of signing is earlier than the 90th day before the date the petition is submitted to the commissioners court. Requires that each voter provide on the petition the voter's current voter registration number, printed name, and residence address, including zip code.

(mm) Requires the commissioners court to submit the petition for verification to the county clerk not later than the fifth day after the date a petition for an election under this section is received in the office of the commissioners court. Requires the county clerk to determine whether the petition is signed by the number of registered voters of the county required under Subsection (ll) of this section. Requires the clerk to certify in writing to the commissioners court whether the petition is valid or invalid not later than the 30th day after the date the petition is submitted to the county clerk for verification. Requires the clerk to state the

reasons for that determination if the county clerk determines that the petition is invalid.

(nn) Requires the commissioners court, not later than the 30th day after the date of certification, to order that an election be held in the county on the next uniform election date provided under general law that allows sufficient time to comply with applicable provisions of general law if the county clerk certifies that a petition for an election under this section is valid. Requires the commissioners court to state, in the order, the issue to be voted on. Requires the county clerk to notify TGC by certified mail, return receipt requested, that an election has been ordered. Requires that the ballot in a legalization election be printed to provide for voting for or against the proposition and sets forth the required language to be used on the ballot.

(oo) Requires the commissioners court to give written notice of the results of the election to TGC not later than the third day after the date the election is canvassed. Provides that casino gaming authorized under this section is permitted within the county holding the election effective on the 10th day after the date the election is canvassed if the majority of votes cast in a legalization election under this section favor the legalization of casino gaming. Provides that casino gaming is not permitted in the county and prohibits a subsequent election on the issue from being held in the county before the corresponding uniform election date one year after the date of the election if less than a majority of the votes cast in the election favor the legalization of casino gaming. Provides that casino gaming is not permitted in the county and prohibits a subsequent election on the issue from being held in the county before the corresponding uniform election date five years after the date of the second election if in each of two consecutive elections within any county less than a majority of the votes cast favor the legalization of casino gaming.

(pp) Provides that it is a defense to prosecution for a gambling offense under general law that the action was authorized under this section or TGC rule.

(qq) Provides that all shipments of slot machines or gaming devices into, out of, or within this state authorized under this section or a rule adopted by TGC are legal shipments of the devices and are exempt from the provisions of 15 U.S.C. Sections 1171-1178, prohibiting the transportation of gambling devices.

(rr) Requires each state agency, including the Office of the Attorney General (OAG) and the comptroller, and each state or local law enforcement agency to cooperate with TGC as necessary to implement this section.

(ss) Authorizes the legislature by general law to impose additional restrictions or requirements for the conduct of casino and slot gaming.

(tt) Prohibits a political subdivision of this state, unless specifically authorized by general law, from imposing a tax on the payment of a casino or slot prize, a tax, fee, or other assessment on consideration paid to play a casino or slot game authorized by this section, or a tax or fee on attendance at or admission to a casino or slot establishment authorized by this section.

(uu) Defines, unless modified by general law, "casino," "casino gaming," "casino owner," "gross gaming revenue," "gross slot income," "performance and recreational horses," "slot establishment," "slot establishment owner," "slot gaming," and "slot machine" in this section.

SECTION 3. Amends Article III, Texas Constitution, by adding Section 47b, as follows:

Sec. 47b. (a) Authorizes any tribe of Indians that is federally recognized and has a reservation in Texas on or before January 1, 1998 to, without application of state time,

place and manner restrictions, conduct on its reservation Class II Gaming regulated by the National Indian Gaming Commission (NIGC) consistent with NIGC's regulation of gaming conducted by Indian tribes in other states and any other gaming activity that may be conducted by any other individual, organization, group or entity with the state.

(b) Requires Class II Gaming to have the same meaning as in 25 U.S.C. Section 2703 of the Indian Gaming Regulatory Act.

SECTION 4. Adds the following temporary provision to the Texas Constitution:

TEMPORARY PROVISION. (a) Provides that this temporary provision applies to the constitutional amendment proposed by the 83rd Legislature, Regular Session, 2013, creating TGC and authorizing and regulating the operation of casino games and slot machines by licensed operators and certain Indian tribes to provide money for the property tax relief fund and additional financial aid for higher education students.

(b) Requires the governor to appoint the initial members of TGC in accordance with Section 47a, Article III, Texas Constitution, as added by this Act, not later than January 1, 2014. Requires the governor, in making the initial appointments, to designate one member of TGC to a term expiring February 1, 2015, two members to terms expiring February 1, 2017, and two members to terms expiring February 1, 2019.

(c) Requires TGC to adopt the rules, including any emergency rules, necessary to implement Section 47a, Article III, Texas Constitution, as added by this Act, not later than March 1, 2014.

(d) Provides that this temporary provision expires January 1, 2015.

SECTION 5. Requires that the proposed constitutional amendment be submitted to the voters at an election to be held November 5, 2013. Sets forth the required language of the ballot.