

BILL ANALYSIS

Senate Research Center
85R5520 DMS-F

H.B. 874
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State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 874, relating to a charitable raffle ticket awarded as a bingo prize, authorizes a licensed authorized organization (non-profit organization that conducts bingo) to offer and award as a charitable bingo prize a ticket for a charitable raffle. The charitable raffle is authorized and conducted under the Texas Charitable Raffle Enabling Act. The bingo prize amount (the raffle ticket) is the cost to purchase the ticket to enter the charitable raffle. Texas Attorney General Opinion JC-0480 concluded that since the award of a raffle ticket as a bingo prize was not expressly authorized by either the Bingo Enabling Act or the Charitable Raffle Enabling Act, the conduct would violate Section 47.03, Penal Code, which prohibits sale or transfer for gain of a raffle ticket.

In 2014, the Texas Lottery Commission bingo director notified bingo conductors that the awarding of a raffle ticket as bingo prize was not authorized under the Bingo Enabling Act, due to the attorney general opinion. H.B. 874 amends the Bingo Enabling Act to expressly authorize a charitable raffle ticket in a raffle conducted under the Charitable Raffle Enabling Act to be awarded as a prize in a charitable bingo game.

Until 2014, bingo conductors who awarded raffle tickets as bingo prizes reported an increase in attendance at the bingo halls and an increase in sales for event pull-tab games. Restoring the charities' ability to award raffle tickets as bingo prizes will restore the revenue levels generated through charitable bingo. Increased revenue will result in increased funds available for a charity's charitable purposes and causes.

H.B. 874 does not increase prize caps for bingo prizes. It only authorizes a raffle ticket to be awarded as a bingo prize under existing Bingo Enabling Act statutes. The bingo prize amount is the cost to purchase the raffle ticket to enter the charitable raffle. H.B. 874 does not increase the number of charitable raffles a charity can conduct in a calendar year. The limit is still two charitable raffles per calendar year per non-profit organization, pursuant to the Charitable Raffle Enabling Act.

H.B. 874 amends current law relating to a charitable raffle ticket awarded as a bingo prize.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2001.420, Occupations Code, by adding Subsection (d), as follows:

(d) Authorizes a licensed authorized organization, notwithstanding any other law, to offer and award as a bingo prize under this chapter (Bingo) a ticket for a charitable raffle conducted under Chapter 2002 (Charitable Raffles). Provides that the bingo prize amount is the cost to purchase the ticket to enter the charitable raffle for purposes of this chapter.

SECTION 2. Effective date: upon passage or September 1, 2017.