

BILL ANALYSIS

Senate Research Center

S.B. 1820
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The legislature previously put into statute that the Lottery Commission shall adopt rules to prohibit a person from playing a lottery game by telephone. Since then, independent third-party couriers have entered the state and begun offering novel ways to play by facilitating the purchase of games via an application.

According to Texas Administrative Code, draw game tickets shall be sold only at the location listed on each retailer's license from the commission. The sale of a draw game lottery ticket at a licensed location means a lottery transaction in which all elements of the sale between the retailer and the purchaser must take place at the retailer location using its terminal, including the exchange of consideration, the exchange of the play slip if one is used, and the exchange of the draw game ticket.

Third-party couriers are not comprehended in current law, though it is the intent of the legislature to prohibit the play of lottery games by phone.

This bill amends Chapter 466 of the Government Code to prohibit the order, purchase, or sale of a lottery game by telephone or digitally by mobile device, including the facilitation of a game via a mobile application or website by an independent third-party courier. It requires the commission to adopt rules to enforce the prohibitions on the order or purchase of a game by mobile device.

As proposed, S.B. 1820 amends current law relating to the Texas Lottery Commission prohibiting the order, purchase, and sale of lottery tickets.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Texas Lottery Commission is modified in SECTION 1 (Section 466.015, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 466.015, Government Code by amending Subdivision (b)(4), as follows:

(4) Requires the Texas Lottery Commission (commission) to adopt rules governing the enforcement of prohibitions on a person playing the lottery game by telephone, including the order or purchase of a game by mobile telephone.

SECTION 2. Amends Section 466.024, Government Code, by adding Subdivision (d), as follows:

(d) Requires the executive director of the commission to prohibit the order, purchase, or sale of a lottery game by telephone or digitally by mobile telephone, including a game's facilitation via application on a mobile telephone or Internet website by an independent third-party courier.

SECTION 3. Requires the commission to adopt or amend rules as necessary under Section 466.015 (Rules), Government Code, to implement changes in law made by this Act, not later than January 1, 2024.

SECTION 4. Effective date: September 1, 2023.