

**SUBJECT:** Refunding bingo licensing and registration fees for denial, withdrawal

**COMMITTEE:** Licensing and Administrative Procedures — committee substitute recommended

**VOTE:** 6 ayes — Kuempel, Guillen, Goldman, Hernandez, Herrero, S. Thompson  
3 absent — Frullo, Geren, Paddie

**WITNESSES:** For — Kimberly Kiplin, Conservative Texans for Charitable Bingo; Tom Stewart, Texas Charity Advocates; (*Registered, but did not testify*: Steve Bresnen, Bingo Interest Group; Roy Grona, Texas VFW)  
  
On — (*Registered, but did not testify*: Alfonso Royal III, Texas Lottery Commission)

**BACKGROUND:** Occupations Code, ch. 2001 establishes the Bingo Enabling Act, which includes setting license fees for commercial lessors, manufacturers, distributors, and unit managers and others involved in bingo activities.  
  
Sec. 2001.103 allows an authorized organization to receive a temporary license to conduct bingo by filing an application accompanied by a \$25 license fee with the Texas Lottery Commission.  
  
Some have noted that certain organizations and individuals involved in bingo, including nonprofits, are unable to receive a refund on bingo licensing and registration fees if they decide to withdraw their application, and this inability to receive a refund can pose a financial burden.

**DIGEST:** CSHB 446 would require a Texas Lottery Commission (TLC) to refund, on request, the \$25 temporary bingo license fee if the organization withdrew the license application or had not used the license within the first year of its issuance. The license would have to be refunded within 30 days of TLC receiving the request. TLC could retain up to 50 percent of the fee to defray administration costs.

TLC would be required to refund the fee for initial or renewal licenses for bingo conductors, commercial lessors, manufacturers, distributors, unit managers, or amending a license issued under the Bingo Enabling Act if an applicant withdrew an application before the license was issued or if the application was denied.

The bill also would require TLC to refund a fee submitted for an initial or renewal license for inclusion in the approved bingo workers registry if the applicant withdrew the application or had the application to be listed in the registry denied by TLC.

In each case, the refund would be due within 30 days of the request or TLC's denial of the application. TLC could retain an amount, which would be no more than 50 percent of the license fee for the registry and for amending a license, or the lesser of 50 percent of a fee or \$150 for the other licenses, to defray administrative costs for processing the application.

The bill would take effect January 1, 2018, and would apply only to applications and fees submitted on or after the effective date.

NOTES:

A companion bill, SB 549 by Kolkhorst, was approved by the Senate on April 29.

The committee substitute differs from the bill as filed by changing the effective date from September 1, 2017, to January 1, 2018.