

BILL ANALYSIS

Senate Research Center
78R12207 E

H.B. 1241
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DIGEST AND PURPOSE

Currently a retailer bears the risk of loss for all lottery tickets received. In the case of stolen tickets in a confirmed status "with validations," the retailer is charged the full amount of the pack, less the commission. H.B. 1241 addresses this concern by adding to the list of criteria for which bond or insurance can be purchased, losses due to bankruptcy, theft, or loss of lottery tickets, supplies, or equipment.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 466.156, Government Code, as follows:

(a) Adds new language to include the losses of a sales agent due to bankruptcy, theft, or loss of lottery tickets, supplies, or equipment to the requirement that each sales agent post a cash bond, surety bond, letter of credit, certificate of deposit and/or other security approved by the executive director. Adds new language requiring all losses to the state resulting from the agent's loss to be paid by the bond fund and prohibiting the executive director from charging an agent for a loss reimbursed from the bond fund.

(b) Authorizes the executive director to require a sales agent to maintain insurance to protect the state's interests if the sales agent has not complied with the requirements in Subsection (a).

SECTION 2. Effective date: September 1, 2003.