

BILL ANALYSIS

Senate Research Center
80R7458 JPL-D

H.B. 2462
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State Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Local law enforcement entities often find that seized gambling equipment shows back up in their communities after it has been locally auctioned off. Over time, this problem becomes more expensive and ultimately becomes unmanageable to local governments.

H.B. 2462 requires the Texas Building and Procurement Commission (commission) to sell gambling equipment that has been transferred from the commissioners courts to the commission. The bill sets forth the persons the equipment is authorized to be sold to and requires at least 50 percent of the net proceeds to go to the commissioners court with the remainder going to the state's general revenue fund. The bill also requires the commissioners court to give that remainder, minus administrative costs, to the local law enforcement agency that originally seized the equipment.

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 Subchapter Z, Chapter 2175, Government Code, by adding Section 2175.904, as follows:

Sec. 2175.904. DISPOSAL OF GAMBLING EQUIPMENT. (a) Requires the Texas Building and Procurement Commission (commission) to establish a program for the sale of gambling equipment (equipment) received from a commissioners court under Section 263.152(a)(5), Local Government Code.

(b) Authorizes the commission to sell equipment only to a person that the commission determines is a bona fide holder of a license or other authorization to sell, lease, or otherwise provide equipment to others or to operate equipment issued by an agency in another state or in a foreign jurisdiction where it is lawful for the person to possess equipment for the intended purpose.

(c) Requires proceeds from the sale of equipment, less the costs of the sale, including costs of advertising, storage, shipping, and auctioneer or broker services, and the amount of the fee collected under Section 2175.131, to be divided according to an agreement between the commission and the commissioners court that provided the equipment for sale. Requires the agreement to contain certain provisions set forth in this subsection.

SECTION 2. Amends Section 263.152, Local Government Code, by amending Subsection (a) and adding Subsection (a-1), as follows:

(a) Authorizes a commissioners court of a county to transfer equipment in the possession of the county following its forfeiture to the state to the commission for sale under Section 2175.904, Government Code.

(a-1) Requires the commissioners court to remit money received from the commission from the sale of equipment under Section 2175.904(c), Government Code, less

administrative expenses incurred by the county in connection with such transfer and sale, to the local law enforcement agency that originally seized the equipment.

SECTION 3. Effective date: upon passage or September 1, 2007.