

A Message From

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Director, Charitable Bingo Operations Division (CBOD)

The purpose of this message is to provide an update to my last message about recently enacted legislation passed by the 86th Texas Legislature that directly impacts charitable bingo, including the following bills:

House Bill 882 and Senate Bill 1200

At the Commission Meeting on Oct. 10, the commissioners voted to adopt the administrative rule amendments to implement HB 882 and SB 1200. No comments were received on the proposed rule amendments and they were adopted with no changes.

House Bill 914 and Prize Fees

Historically, bingo organizations have remitted all prize fees to the Commission, which then distributed those fees to local governments on a quarterly basis and most recently at the end of the fiscal year. HB 914 removed the Texas Lottery Commission (TLC) from the process of distributing bingo prize fees to those eligible counties and municipalities.

The Commission will continue to have regulatory authority over licensed bingo organizations and will continue to fulfill its licensing, auditing, and enforcement duties. That said, HB 914 created new requirements for local governments and licensed bingo organizations related to prize fees. As such, local governments now have the direct responsibility to ensure their share of prize fees are properly remitted to their government. Any matters concerning the payment of prize fees to local governments will need to be coordinated through those entities.

Beginning **Jan. 1, 2020**, bingo organizations themselves will be required to properly distribute prize fees to their local government(s) within 25 days of the end of each quarter.

That means that each conductor will be remitting to the local government(s) the local government entities' share of the prize fees, as appropriate. TLC will only accept the amount due to the state. The agency will be returning checks that exceed the prize fee amount due to the state.

HB 914 contains a one-time requirement that CBOD notify the municipalities and counties of the requirement to vote to continue to receive a share of the bingo prize fees. HB 914 also requires those municipalities and counties to notify the TLC of their vote by Nov. 1, 2019, and to also notify every organization within their jurisdiction of their continued receipt of prize fees. A list of municipalities and counties that notify the TLC by Nov. 1, 2019 will be posted on txbingo.org in mid-November.

Quarterly Report forms are being revised to comply with the provisions of HB 914. CBOD will be providing further guidance and updated quarterly report forms soon.

Proposed rule changes for HB 914 on matters other than prize fees were presented at the Oct. 10 Commission Meeting. The proposed rules will be published in the Texas Register and you may

submit your comments via email. You may also submit comments at the public hearing on the rules at the TLC office in Austin on Nov. 6, 2019, at 10 a.m. We welcome your input to these proposed changes.

Schedule of Bingo Hall Meetings

CBOD is scheduling bingo hall meetings to discuss the changes to the Bingo Enabling Act, review the draft forms and answer questions you might have concerning charitable bingo. Additional information regarding times and locations will be provided. *Schedule subject to change.*

Oct. 25	Duncanville (Jackpot Bingo)	11 a.m. – 1 p.m.
Oct. 26	Texarkana	10 a.m. - noon
Nov. 8	Lubbock	Late morning
Nov. 12	Austin	Afternoon
Nov. 22	Houston	Late morning
TBD	San Antonio	

Quarterly Report Deadlines

Due to the prize fee payment changes required by HB 914, CBOD needs to implement adjusted dates for filing calendar year 2019 quarterly reports. These dates are designed to minimize the need for recalculations and refileing or amending quarterly reports due to HB 914's requirements that take effect on Jan. 1, 2020.

Oct. 26, 2019 Disable electronic filing with coupon payment of prize fees.

Oct. 27, 2019 Enable only exact amount payments for prize fees for electronic quarterly report filing.

Dec. 13, 2019 Paper quarterly reports filing should be postmarked by this date, to provide for enough time to process to prevent return of the payment and/or recalculation due to HB 914.

Dec. 20, 2019 Delete all partial/incomplete electronic quarterly reports to eliminate the possible use of the wrong form and prevent return of the payment and/or recalculation due to HB 914.

Disable electronic filing at noon to eliminate the possible use of the wrong form to prevent return of the payment and/or recalculation due to HB 914.

Jan. 1, 2020 Begin use of revised quarterly report forms on both BSP and paper forms. Organizations reporting multiple locations or filing an amended report will need to file using a paper form.

Jan. 25, 2020 Fourth quarter calendar year 2019 quarterly reports due.

Why is CBOD imposing these deadlines?

HB 914 is specific in the deadlines imposed. Prize fees received after Dec 31, 2019 will need to be processed in accordance with HB 914 allocation requirements, which will significantly change the way conductors remit these fees.

After Jan. 1, 2020, the Lottery Commission loses its authority to distribute prize fees to municipalities and counties. TLC will only accept a check for the exact amount due for the state's share of prize fees, which will be either 50% or 100% of all prize fees collected depending on your location. TLC will return any checks received that are in excess of that amount.

In Conclusion

Thank you for your patience and understanding as we navigate through these changes affecting charitable bingo.

This information, along with the letters sent to counties and municipalities regarding HB 914, is posted on the Charitable Bingo website, www.txbingo.org.

If you have questions, please contact CBOD via e-mail at bingo.services@lottery.state.tx.us or by phone at 800-BINGO-77 (800-246-4677) and follow the prompts.