

1 The Texas Lottery Commission (Commission) files this notice of intent to review, and to
2 consider for readoption, amendment, or repeal, the Commission’s rules at Title 16 Texas
3 Administrative Code Chapter 401, relating to Administration of State Lottery Act. The names
4 and numbers of the rules contained in Chapter 401 are set forth below. This review is being
5 conducted in accordance with the requirements of Texas Government Code §2001.039 (Agency
6 Review of Existing Rules):

7 Subchapter A – Procurement

8 §401.101 – Lottery Procurement Procedures

9 §401.102 – Protests of the Terms of a Formal Competitive Solicitation

10 §401.103 – Protests of Contract Award

11 §401.104 – Contract Monitoring Roles and Responsibilities

12 §401.105 – Major Procurement Approval Authority, Responsibilities and Reporting

13 Subchapter B – Licensing of Sales Agents

14 §401.152 – Application for License

15 §401.153 – Qualifications for License

16 §401.155 – Expiration of License

17 §401.156 – Renewal of License

18 §401.157 – Provisional License

19 §401.158 – Suspension or Revocation of License

20 §401.159 – Summary Suspension of License

21 §401.160 – Standard Penalty Chart

22 Subchapter C – Practice and Procedure

23 §401.201 – Intent and Scope of Rules

- 1 §401.202 – Construction of Rules
- 2 §401.203 – Contested Cases
- 3 §401.205 – Initiation of a Hearing
- 4 §401.207 – Written Answer; Default Proceedings
- 5 §401.211 – Law Governing Contested Cases
- 6 §401.216 – Subpoenas, Depositions, and Orders to Allow Entry
- 7 §401.220 – Motion for Rehearing
- 8 §401.227 – Definitions
- 9 Subchapter D – Lottery Game Rules
- 10 §401.301 – General Definitions
- 11 §401.302 – Scratch Ticket Game Rules
- 12 §401.303 – Grand Prize Drawing Rule
- 13 §401.304 – Draw Game Rules (General)
- 14 §401.305 – “Lotto Texas” Draw Game Rule
- 15 §401.306 – Video Lottery Games
- 16 §401.307 – “Pick 3” Draw Game Rule
- 17 §401.308 – “Cash Five” Draw Game Rule
- 18 §401.309 – Assignability of Prizes
- 19 §401.310 – Payment of Prize Payments Upon Death of Prize Winner
- 20 §401.312 – “Texas Two Step” Draw Game Rule
- 21 §401.313 – Promotional Drawings
- 22 §401.314 – Retailer Bonus Programs
- 23 §401.315 – “Mega Millions” Draw Game Rule

- 1 §401.316 – “Daily 4” Draw Game Rule
- 2 §401.317 – “Powerball” Draw Game Rule
- 3 §401.318 – Withholding of Delinquent Child-Support Payments from Lump-sum and Periodic
- 4 Installment Payments of Lottery Winnings in Excess of Six Hundred Dollars
- 5
- 6 §401.319 – Withholding of Child-Support Payments from Periodic Installment Payments of
- 7 Lottery Winnings
- 8
- 9 §401.320 – “All or Nothing” Draw Game Rule
- 10 §401.321 – Scratch Tickets Containing Non-English Words
- 11 §401.324 – Prize Winner Election to Remain Anonymous
- 12 Subchapter E – Retailer Rules
- 13 §401.351 – Proceeds from Ticket Sales
- 14 §401.352 – Settlement Procedures
- 15 §401.353 – Retailer Settlements, Financial Obligations, and Commissions
- 16 §401.355 – Restricted Sales
- 17 §401.357 – Texas Lottery as Retailer
- 18 §401.360 – Payment of Prizes
- 19 §401.361 – Required Purchases of Lottery Tickets
- 20 §401.362 – Retailer’s Financial Responsibility for Lottery Tickets Received and Subsequently
- 21 Damaged or Rendered Unsaleable, for Winning Lottery Tickets Paid and for Lottery-Related
- 22 Property
- 23
- 24 §401.363 – Retailer Record
- 25 §401.364 – Training
- 26 §401.366 – Compliance with All Applicable Laws
- 27 §401.368 – Lottery Ticket Vending Machines
- 28 §401.370 – Retailer’s Financial Responsibility for Lottery Tickets Received and Subsequently
- 29 Stolen or Lost

- 1 §401.371 – Collection of Delinquent Obligations for Lottery Retailer Related Accounts
- 2 §401.372 – Display of License
- 3 Subchapter F – ADA Requirements
- 4 §401.401 – Definitions
- 5 §401.402 – General Requirements
- 6 §401.403 – Readily Achievable Barrier Removal
- 7 §401.404 – Priority of ADA Compliance by Lottery Licensees
- 8 §401.405 – Alternatives to Barrier Removal
- 9 §401.406 – Future Alterations to a Lottery Licensed Facility
- 10 §401.407 – Complaints Relating to Non-accessibility
- 11 §401.408 – Requests for Hearings
- 12 Subchapter G – Lottery Security
- 13 §401.501 – Lottery Security

14 The Commission will assess whether the reasons for initially adopting each of these rules
15 continue to exist. Each rule will be reviewed to determine whether it is obsolete, whether it
16 reflects current legal and policy considerations, and whether it reflects current procedures of the
17 Commission.

18 Written comments pertaining to this rule review may be submitted by mail to Deanne
19 Rienstra, Special Counsel, at Texas Lottery Commission, P.O. Box 16630, Austin, Texas 78761-
20 6630; by facsimile at (512) 344-5189; or by email at *legal.input@lottery.state.tx.us*.

21 The deadline for comments is 30 days after publication of this notice in the *Texas*
22 *Register*. Proposed changes to any of these rules as a result of the rule review will be published
23 as separate rulemaking proceedings in the Proposed Rules section of the *Texas Register* at a later

- 1 date. Any proposed rule changes will be open for public comment prior to final adoption or
- 2 repeal by the Commission, in accordance with the requirements of the Administrative Procedure
- 3 Act, Texas Government Code, Chapter 2001.

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