



INTEROFFICE MEMO

Gary Grief, Executive Director

Alfonso D. Royal III, Charitable Bingo Operations Director

To: J. Winston Krause, Chairman
Carmen Arrieta-Candelaria, Commissioner
Peggy A. Heeg, Commissioner
Doug Lowe, Commissioner
Robert Rivera, Commissioner

From: Ryan S. Mindell, Assistant General Counsel

Date: October 5, 2017

Re: Consideration of and possible discussion and/or action, including adoption, on the repeal of 16 TAC §401.323 ("MONOPOLY MILLIONAIRES' CLUB™" Game Rule)

Attached is a draft rule prepared for submission to the *Texas Register* to adopt the repeal of 16 TAC §401.323 ("MONOPOLY MILLIONAIRES' CLUB™" Game Rule), without changes to the proposed text as published in the August 25, 2017, issue of the *Texas Register* (42 TexReg 4219) (also attached). The purpose of the repeal is to remove references to a discontinued multijurisdiction lottery draw game no longer offered by the Commission.

The Commission received no written comments on the proposed repeal during the public comment period.

Recommendation: Staff recommends the Commission adopt the repeal of 16 TAC §401.323 ("MONOPOLY MILLIONAIRES' CLUB™" Game Rule).

1 The Texas Lottery Commission (“Commission”) adopts the repeal of 16 TAC §401.323
2 (“MONOPOLY MILLIONAIRES’ CLUB™” Game Rule). The purpose of the repeal is to remove
3 references to a discontinued multijurisdiction lottery draw game no longer offered by the
4 Commission. Staff anticipates the public will benefit by the elimination of references to a
5 discontinued game as well as the minimization of player confusion.

6 The Commission received no written comments on the proposed repeal during the public
7 comment period.

8 This repeal is adopted under Texas Government Code §466.015, which authorizes the
9 Commission to adopt rules governing the operation of the lottery; Texas Government Code
10 §466.451, which authorizes the Commission to adopt rules relating to a multi-jurisdiction lottery
11 game; and Texas Government Code §467.102, which authorizes the Commission to adopt rules
12 for the enforcement and administration of the laws under the Commission’s jurisdiction.

13 This adoption is intended to implement Texas Government Code, Chapter 466.
14 ~~§401.323. “MONOPOLY MILLIONAIRES’ CLUB™” Game Rule.~~

Bob Biard
General Counsel
Texas Lottery Commission
Earliest possible date of adoption: September 24, 2017
For further information, please call: (512) 344-5012

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SUBCHAPTER D. LOTTERY GAME RULES

16 TAC §401.323

The Texas Lottery Commission ("Commission") proposes the repeal of 16 TAC §401.323 ("MONOPOLY MILLIONAIRES' CLUB™" Game Rule). The purpose of the proposed repeal is to remove references to a discontinued multi-jurisdiction lottery draw game no longer offered by the Commission.

Kathy Pyka, Controller, has determined that for each year of the first five years the repeal will be in effect, there will be no significant fiscal impact for state or local governments as a result of the proposed repeal. There will be no adverse effect on small businesses, micro businesses, or local or state employment. There will be no additional economic cost to persons required to comply with the repeal, as proposed. Furthermore, an Economic Impact Statement and Regulatory Flexibility Analysis is not required because the repeal will not have an adverse economic effect on small businesses as defined in Texas Government Code §2006.001(2).

Michael Anger, Director of Lottery Operations, has determined that for each year of the first five years the proposed repeal will be in effect, the public benefit anticipated is the elimination of references to a discontinued game as well as the minimization of player confusion.

The Commission requests comments on the proposed repeal from any interested person. Comments on the proposed repeal may be submitted to Ryan Mindell, Assistant General Counsel, by mail, at Texas Lottery Commission, P.O. Box 16630, Austin, Texas 78761-6630; by facsimile at (512) 344-5189; or by email at legal.input@lottery.state.tx.us. Comments must be received within 30 days after publication of this proposal in the *Texas Register* in order to be considered.

This repeal is proposed under Texas Government Code §466.015, which authorizes the Commission to adopt rules governing the operation of the lottery, §466.451, which authorizes the Commission to adopt rules relating to a multi-jurisdiction lottery game, and §467.102, which authorizes the Commission to adopt rules for the enforcement and administration of the laws under the Commission's jurisdiction.

This proposal is intended to implement Texas Government Code, Chapter 466.

§401.323. "MONOPOLY MILLIONAIRES' CLUB™" Game Rule.

The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Filed with the Office of the Secretary of State on August 9, 2017.
TRD-201703037

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16 TAC §401.324

The Texas Lottery Commission (Commission) proposes new 16 TAC §401.324 (Prize Winner Election to Remain Anonymous). The purpose of the new rule is to implement recent legislative changes made by House Bill 59, relating to certain lottery prize winners' choice to remain anonymous. House Bill 59 establishes Texas Government Code §466.411, effective September 1, 2017, which will apply to any lottery prize claim submitted after January 1, 2018. This legislation, signed by Governor Abbott on June 12, 2017, permits a lottery prize winner of \$1,000,000 or more, who is a natural person, the opportunity to elect to remain anonymous, in certain instances, by prohibiting all personally identifiable information from being released to the public. Prior to this legislation, the name of the prize winner, whether a natural person or legal entity, was released to the public pursuant to the Texas Public Information Act. Additionally, the name of a prize winner who is a natural person, but who elects to receive the prize payments in periodic installments, will only be withheld for thirty (30) days from the date of the claim. House Bill 59 requires the Commission to adopt rules and procedures to implement this law no later than December 1, 2017.

Kathy Pyka, Controller, has determined that for each year of the first five years the new rule will be in effect, there will be no significant fiscal impact for state or local governments as a result of the proposed new rule. There will be no adverse effect on small businesses, micro businesses, or local or state employment. There will be no additional economic cost to persons required to comply with the new rule, as proposed. Furthermore, an Economic Impact Statement and Regulatory Flexibility Analysis is not required because the new rule will not have an adverse economic effect on small businesses as defined in Texas Government Code §2006.001(2).

Michael Anger, Director of Lottery Operations, has determined that for each year of the first five years the proposed new rule will be in effect, the public benefit anticipated is the opportunity for certain prize winners of a lottery prize in an amount equal to \$1 million or more to elect to remain anonymous and prohibit all personally identifiable information from being released to the public.

The Commission requests comments on the proposed new rule from any interested person. Comments on the new rule may be submitted to Deanne Rienstra, Assistant General Counsel, by mail at Texas Lottery Commission, P.O. Box 16630, Austin, Texas 78761-6630; by facsimile at (512) 344-5189; or by email at legal.input@lottery.state.tx.us. Comments must be received within 30 days after publication of this proposal in the *Texas Register* in order to be considered.

The new rule is proposed under Texas Government Code §466.015, which authorizes the Commission to adopt rules governing the operation of the lottery and §467.102, which authorizes the Commission to adopt rules for the enforcement and administration of the laws under the Commission's jurisdiction.

This proposal is intended to implement Texas Government Code, Chapter 466.