



INTEROFFICE MEMO

Gary Grief, Executive Director LaDonna Castañuela, Charitable Bingo Operations Director

To: Robert G. Rivera, Chairman
Cindy Fields, Commissioner
Mark A. Franz, Commissioner
Erik C. Saenz, Commissioner
Jamey Steen, Commissioner

From: Bob Biard, General Counsel

A handwritten signature in blue ink, appearing to be "BB", is written over the name "Bob Biard".

Date: October 21, 2021

Re: Consideration of the Status and Possible Approval of Orders in Enforcement Cases

The Legal Services Division staff recommends that the Commission approve each of the proposed orders presented under this item.

Date: OCTOBER 21, 2021

IN THE MATTER OF	§	BEFORE THE STATE OFFICE
	§	
	§	OF
THE REVOCATION OF CERTAIN	§	
LOTTERY RETAILER LICENSES	§	ADMINISTRATIVE HEARINGS

ORDER OF THE COMMISSION

During an open meeting in Austin, Texas, the Texas Lottery Commission (Commission) heard the license revocation cases listed on Attachment A hereto, in which the Texas Lottery Ticket Sales Agent (Respondent) in each referenced case did not appear at the scheduled hearing before the State Office of Administrative Hearings (SOAH) to respond to the allegations set forth in the Commission's notice of hearing.

I. Findings of Fact

1. Timely and adequate notice of the hearings in the referenced cases before SOAH was provided to each Respondent, pursuant to Tex. Gov't Code §§ 2001.051 and 2001.052, and 1 Tex. Admin. Code §§ 155.401 and 155.501(b). Each notice of hearing included a disclosure in at least 12-point, bold-face type, that the factual allegations listed in the notice could be deemed admitted, and the relief sought in the notice of hearing might be granted by default against the party that fails to appear at hearing.

2. After timely and adequate notice was given in each case, each case was heard by a SOAH Administrative Law Judge (ALJ). In each case, the Respondent did not appear at the hearing.

3. The Commission, by and through its attorney of record, filed a motion in each case requesting the ALJ issue a conditional order of default dismissal and remand to the Commission for informal disposition, in accordance with Tex. Gov't Code §2001.058(d-1) and 1 Tex. Admin. Code §155.501(d)-(e).

Date: OCTOBER 21, 2021

4. The ALJ dismissed the referenced cases from the SOAH docket and remanded these cases to the Commission for informal disposition under Tex. Gov't Code §2001.056, provided the Respondent in each case did not file a motion to set aside the default within 15 days from the date of the ALJ's order remanding case to the Commission.

5. In each case, Respondent did not file a motion to set aside the default within 15 days from the date of the ALJ's order.

II. Conclusions of Law

1. The Commission has jurisdiction over this matter pursuant to Tex. Gov't Code §466.155 (State Lottery Act) and 16 Tex. Admin. Code Chapter 401 (Commission Rules).

2. The Respondent in each of the cases listed on Attachment A violated the State Lottery Act and the Commission's Rules as set forth in the Commission's notice of hearing applicable to such Respondent. Specifically, each Respondent failed to deposit money due to the State received from lottery ticket sales under the State Lottery Act, in violation of Tex. Gov't Code §466.351 and 16 Tex. Admin. Code §§ 401.351 and 401.352.

3. The relief sought by the Commission Staff is fair, reasonable, and adequately protects the public.

III. Order

NOW, THEREFORE, IT IS ORDERED that, after review and due consideration of the administrative record, each of the cases listed on Attachment A hereto, which is incorporated into this Order for all purposes, is hereby disposed by default, and:

1. All allegations set forth in each notice of hearing in the cases listed on Attachment A are deemed admitted; and

Commission Order No. 22-0003

Date: OCTOBER 21, 2021

2. The Texas Lottery Ticket Sales Agent License for each Respondent in the cases listed on Attachment A is hereby revoked.

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin, Texas, on the 21ST day of OCTOBER, 2021.

Entered this 21ST day of OCTOBER, 2021.

ROBERT G. RIVERA, CHAIRMAN

CINDY FIELDS, COMMISSIONER

MARK A. FRANZ, COMMISSIONER

ERIK C. SAENZ, COMMISSIONER

JAMES H. C. STEEN, COMMISSIONER

Commission Order No. 22-0003

Date: OCTOBER 21, 2021

ATTACHMENT A

TAB NO.	SOAH DOCKET NO.	TICKET SALES AGENT NAME	TICKET SALES AGENT ADDRESS	LOTTERY LICENSE NO.
A.	362-21-2604	Fazal & Shaan LLC d/b/a Gas Express	225 Fluor Daniel Dr. #8104 Sugar Land, TX 77479	187890
B.	362-21-2966	Laderrica Alisa Parks d/b/a United Income Tax Services	2716 S. Medford Dr., Ste. B Lufkin, TX 75901	190033

Commission Order No. 22-0004

Date: OCTOBER 21, 2021

Case No. 2021-390

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
KROGER TEXAS LP	§	
D/B/A KROGER 527	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 466233	§	LOTTERY COMMISSION

MEMORANDUM OF AGREEMENT AND CONSENT ORDER

The Texas Lottery Commission (Commission) and Kroger Texas LP d/b/a Kroger 527 (Kroger 527) make the following Agreed Findings of Fact, Agreed Conclusions of Law, and Memorandum of Agreement, and enter into this Consent Order.

AGREED FINDINGS OF FACT

1. Kroger 527 holds Texas Lottery Ticket Sales Agent License No. 466233.
2. Brooke Murphy is the compliance officer of Kroger 527, which is located at 200 W. Camp Wisdom Rd., Duncanville, TX 75116.
3. On October 21, 2020, at the Dallas Claim Center a claimant presented a Texas Lottery draw ticket with a prize value of \$790. Based on an internal review, the Commission initiated an investigation into this claim.
4. On November 12, 2020, Shanitha Sledge, a Kroger 527 employee, admitted to a Commission investigator that while on her break she purchased from another employee a draw ticket for a friend. This friend requested that Ms. Sledge purchase the ticket on her behalf via a text to Ms. Sledge's personal cell phone and had transferred the money for this ticket to Ms. Sledge's personal bank account prior to Ms. Sledge making the purchase.

5. The Commission has determined that the actions of Ms. Sledge constitute the sale of a draw ticket over the phone.

AGREED CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to Tex. Gov't Code ch. 466 (State Lottery Act) and 16 Tex. Admin. Code ch. 401 (Commission rules).

2. Kroger 527 is obligated to follow the provisions of the State Lottery Act and the Commission rules to maintain its Texas Lottery Ticket Sales Agent License.

3. Tex. Gov't Code §466.305(a) states:

A sales agent or an employee of a sales agent commits an offense if the person intentionally or knowingly sells a ticket to another person by extending credit or lending money to the person to enable the person to purchase the ticket.

4. 16 Tex. Admin. Code §401.158(b) states, in pertinent part:

Without limiting the commission's ability to consider factors listed in §401.153(b) of this title as grounds for suspension or revocation of a license issued under this subchapter, the commission may also suspend or revoke a license for reasons including, but not limited to, any of the following:

...

(25) licensee intentionally or knowingly sells a ticket by extending credit or lends money to enable a person to buy a ticket;

...

(28) licensee sells tickets over the telephone or via mail order sales, establishes or promotes a group purchase or pooling arrangement under which tickets are purchased on behalf of the group or pool and any prize is divided among the members of the group or pool.

5. 16 Tex. Admin. Code §401.355(a) states in pertinent part:

Retailers shall not sell lottery tickets by mail, phone, fax, or other similar method of communications.

6. 16 Tex. Admin. Code §401.366 states:

Each retailer agrees to operate in a manner consistent with the State Lottery Act, applicable federal laws, Texas laws, local ordinances, with all terms and conditions related to the retailer's license, with all requirements set forth in the most recent Retailer Manual, the rules and regulations promulgated by the commission, and with his/her or its license agreements with the Texas Lottery.

7. The Texas Legislature has mandated that the Commission “exercise strict control and close supervision over all lottery games conducted in this state to promote and ensure integrity, security, honesty, and fairness in the operation and administration of the lottery.” Tex. Gov’t Code §466.014(a).

8. Under Texas law, an employer is liable, vicariously, for the acts of its servants committed in the course and scope of their employment. *GTE Southwest, Inc. v. Bruce*, 998 S.W.2d 605, 617–18 (Tex. 1999). An employee is acting within the scope of their employment if they are performing duties generally assigned to them, regardless of whether the employee acted intentionally and unlawfully. *Fink v. Anderson*, 477 S.W.3d 460, 468 (Tex. App.— Houston [1st Dist.] 2015, no pet.).

9. The State Lottery Act recognizes that a sales agent’s unlicensed employees may lawfully perform lottery-related duties of their licensee employers, including selling and handling lottery tickets and handling the revenue generated from ticket sales. Tex. Gov’t Code §§ 466.201(a)(7), 466.303(a), 466.305(a), 466.3051(a), and 466.353(a). Thus, the Commission’s ability to attribute employee violations committed within the course and scope of their employment to their licensee employer is within the Commission’s implied authority and is reasonably necessary to fulfill the Commission’s express duty to exercise strict control and supervision over the lottery.

10. The Texas Lottery Ticket Sales Agent License of Kroger 527 is subject to suspension or revocation pursuant to Tex. Gov’t Code §466.155(a)(5), as a result of Kroger 527’s violation of Tex. Gov’t Code §466.305(a) and 16 Tex. Admin. Code §§ 401.158(b)(25) and (28), 401.355(a), and 401.366.

MEMORANDUM OF AGREEMENT

1. By signing this Memorandum of Agreement, Kroger 527 agrees to these terms, acknowledges understanding them, and waives all rights to procedural requirements for the entry of the Order consistent with the terms of this Memorandum of Agreement, including but not limited to the right to notice of hearing, a formal hearing, a proposal for decision, a rehearing, and any right to seek judicial review of the Order.

2. The effective date of this Memorandum of Agreement and Consent Order shall be the date it is signed by the Commission.

3. Kroger 527 agrees not to challenge the Commission's determination that the facts described herein show a violation of Tex. Gov't Code §466.305(a) and 16 Tex. Admin. Code §§ 401.158(b)(25) and (28), 401.355(a), and 401.366; and, accordingly, that its Ticket Sales Agent License will be suspended for a period of ten (10) consecutive days. The suspension period will begin within seven (7) days from the date this Memorandum of Agreement and Consent Order is signed by the Commission. During the period of suspension, Kroger 527 agrees that it will not sell Texas Lottery tickets of any kind, will not validate Texas Lottery tickets, and will not pay lottery prizes to customers.

4. During the entire period of suspension hereunder, Kroger 527 is required to post a notice of suspension in the form and at the location prescribed by the Commission, visible to store customers, in the same area where Kroger 527's Ticket Sales Agent License is posted.

5. Kroger 527 agrees this Memorandum of Agreement and Consent Order applies only to the facts and circumstances stated herein. The Commission reserves the right to take additional disciplinary action, up to and including suspension or revocation of Kroger 527's Ticket Sales Agent License, for any further violations of the State Lottery Act or Commission rules.

6. Kroger 527 acknowledges and agrees that this Memorandum of Agreement and Consent Order, and the Agreed Findings of Fact and the Agreed Conclusions of Law contained herein, may be admitted in any future administrative action initiated against it by the Commission.

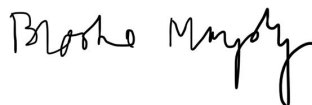
7. Kroger 527 agrees that if, after a formal hearing on the sole issue of compliance with the Memorandum of Agreement and Consent Order, it is found that Kroger 527 has failed to comply with the terms of the Memorandum of Agreement and Consent Order, disciplinary action shall be taken against Kroger 527, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

8. Kroger 527 agrees to provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins. It further agrees that these active tickets will settle on the date the suspension begins, and Kroger 527 will be charged for tickets sold on or before that date. Kroger 527 will be credited for any tickets that have been paid for in previous sweeps and that are returned to and received by the Commission on or before the date the suspension begins.

AGREED AS TO FORM AND SUBSTANCE:

Kroger Texas LP
d/b/a Kroger 527

By:



8/4/2021

Brooke Murphy
Compliance Officer

DATE

Texas Lottery Commission
Lottery Operations Division

By:



Ryan S. Mindell
Director

8-19-21

DATE

Commission Order No. 22-0004

Date: OCTOBER 21, 2021

Case No. 2021-390

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
KROGER TEXAS LP	§	
D/B/A KROGER 527	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 466233	§	LOTTERY COMMISSION

CONSENT ORDER

NOW, THEREFORE, IT IS ORDERED by the Texas Lottery Commission (Commission), based on the above Agreed Findings of Fact, Conclusions of Law and Memorandum of Agreement, which are hereby adopted and incorporated by reference as if fully set out and separately stated herein, as follows:

(1) IT IS ORDERED by the Commission that, in lieu of revocation of Kroger Texas LP d/b/a Kroger 527's (Kroger 527) Texas Lottery Ticket Sales Agent License, the license is suspended for a period of ten (10) consecutive days. The suspension period will begin within seven (7) days from the date this Consent Order is signed by the Commission. During the period of suspension, Kroger 527 shall not sell Texas Lottery tickets of any kind, shall not validate Texas Lottery tickets, and shall not pay lottery prizes to customers.

(2) IT IS FURTHER ORDERED by the Commission that, during the entire period of suspension, Kroger 527 shall post a notice of suspension, in the form and at the location prescribed by the Commission, visible to store customers, in the same area where Kroger 527's Texas Lottery Ticket Sales Agent License is posted.

Commission Order No. 22-0004

Date: OCTOBER 21, 2021

(3) IT IS FURTHER ORDERED by the Commission that if, after a formal hearing on the sole issue of compliance with this Consent Order, it is found that Kroger 527 has failed to comply with the terms of this Order, disciplinary action shall be taken against Kroger 527, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

(4) IT IS FURTHER ORDERED by the Commission that Kroger 527 shall provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins, that these active tickets will settle on that date, and Kroger 527 will be charged for the tickets sold on or before that date. Kroger 527 will be credited for any tickets that have been paid for in previous sweeps and that are returned to and received by the Commission on or before the date the suspension begins.

Commission Order No. 22-0004

Date: OCTOBER 21, 2021

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin,
Texas, on the 21ST day of OCTOBER, 2021.

Entered this 21ST day of OCTOBER, 2021.

ROBERT G. RIVERA, CHAIRMAN

CINDY FIELDS, COMMISSIONER

MARK A. FRANZ, COMMISSIONER

ERIK C. SAENZ, COMMISSIONER

JAMES H. C. STEEN, COMMISSIONER

Commission Order No. 22-0005

Date: OCTOBER 21, 2021

Case No. 2021-721

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
WILLIAM D. KITCHENS	§	
D/B/A BRAEBURN LIQUOR	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 104286	§	LOTTERY COMMISSION

MEMORANDUM OF AGREEMENT AND CONSENT ORDER

The Texas Lottery Commission (Commission) and William D. Kitchens d/b/a Braeburn Liquor (Braeburn Liquor) make the following Agreed Findings of Fact, Agreed Conclusions of Law, and Memorandum of Agreement, and enter into this Consent Order.

AGREED FINDINGS OF FACT

1. Braeburn Liquor holds Texas Lottery Ticket Sales Agent License No. 104286.
2. William D. Kitchens is the owner of Braeburn Liquor, which is located at 9906 S. Gessner Rd., Houston, TX 77071.
3. At the Houston Claim Center, on August 10, 2020, Mr. Kitchens claimed ten (10) Texas Lottery draw ticket prizes with a cumulative value of \$17,030, and on November 30, 2020, Mr. Kitchens claimed eight (8) Texas Lottery draw ticket prizes with a cumulative value of \$6,076. Based on an internal review, the Commission initiated an investigation into these claims.
4. On December 16, 2020, Mr. Kitchens admitted to a Commission investigator that he purchased those draw tickets from store customers for less than their prize values.

AGREED CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to Tex. Gov't Code ch. 466 (State Lottery Act) and 16 Tex. Admin. Code ch. 401 (Commission rules).

2. Braeburn Liquor is obligated to follow the provisions of the State Lottery Act and the Commission rules to maintain its Texas Lottery Ticket Sales Agent License.

3. Tex. Gov't Code §466.308(a) states:

A person commits an offense if the person intentionally or knowingly:

- (1) claims a lottery prize or a share of a lottery prize by means of fraud, deceit, or misrepresentation; or
- (2) aids or agrees to aid another person or persons to claim a lottery prize or a share of a lottery prize by means of fraud, deceit, or misrepresentation.

4. Tex. Gov't Code §466.310(a) states:

A person commits an offense if the person:

- (1) induces another person to assign or transfer a right to claim a prize;
- (2) offers for sale the right to claim a prize; or
- (3) offers, for compensation, to claim the prize of another person.

5. Tex. Gov't Code §466.402(b) states:

The payment of a prize in an amount of \$600 or more may be made only by the director.

6. 16 Tex. Admin. Code §401.158(b) states, in pertinent part:

Without limiting the commission's ability to consider factors listed in §401.153(b) of this title as grounds for suspension or revocation of a license issued under this subchapter, the commission may also suspend or revoke a license for reasons including, but not limited to, any of the following:

...

(31) licensee intentionally or knowingly claims a lottery prize or a share of a lottery prize by means of fraud, deceit, or misrepresentation; or aids or agrees to aid another person or persons to claim a lottery prize or a share of a lottery prize by means of fraud, deceit, or misrepresentation.

...

(33) licensee:

- (A) induces another person to assign or transfer a right to claim a prize;
- (B) initiates or accepts an offer to sell the right to claim a prize;
- (C) initiates or accepts an offer of compensation from another person to claim a lottery prize, or
- (D) purchases a lottery ticket from a person who is not a licensed lottery retailer.

7. 16 Tex. Admin. Code §401.360 states:

Retailers may pay any lottery prize of less than \$600, after complying with established validation procedures. However, if a retailer validates a ticket of up to \$600, that retailer shall pay the prize amount on the ticket. Prizes of \$600 or more shall be paid by the Texas Lottery by mail or at a designated lottery claim center.

8. 16 Tex. Admin. Code §401.366 states:

Each retailer agrees to operate in a manner consistent with the State Lottery Act, applicable federal laws, Texas laws, local ordinances, with all terms and conditions related to the retailer's license, with all requirements set forth in the most recent Retailer Manual, the rules and regulations promulgated by the commission, and with his/her or its license from the Texas Lottery.

9. The Texas Lottery Ticket Sales Agent License of Braeburn Liquor is subject to suspension or revocation pursuant to Tex. Gov't Code §466.155(a)(5), as a result of Braeburn Liquor's violation of Tex. Gov't Code §§ 466.308(a), 466.310(a), and 466.402(b) and 16 Tex. Admin. Code §§ 401.158(b)(31) and (33), 401.360 and 401.366.

MEMORANDUM OF AGREEMENT

1. By signing this Memorandum of Agreement, Braeburn Liquor agrees to these terms, acknowledges understanding them, and waives all rights to procedural requirements for the entry of the Order consistent with the terms of this Memorandum of Agreement, including but not limited to the right to notice of hearing, a formal hearing, a proposal for decision, a rehearing, and any right to seek judicial review of the Order.

2. The effective date of this Memorandum of Agreement and Consent Order shall be the date it is signed by the Commission.

3. Braeburn Liquor agrees that, as a result of its violation of Tex. Gov't Code §§ 466.308(a), 466.310(a), and 466.402(b) and 16 Tex. Admin. Code §§ 401.158(b)(31) and (33), 401.360 and 401.366, its Ticket Sales Agent License will be suspended for a period of ninety (90) consecutive days. The suspension period will begin within seven (7) days from the date this

Memorandum of Agreement and Consent Order is signed by the Commission. During the period of suspension, Braeburn Liquor agrees that it will not sell Texas Lottery tickets of any kind, will not validate Texas Lottery tickets, and will not pay lottery prizes to customers.

4. During the entire period of suspension hereunder, Braeburn Liquor is required to post a notice of suspension in the form and at the location prescribed by the Commission, visible to store customers, in the same area where Braeburn Liquor's Ticket Sales Agent License is posted.

5. Braeburn Liquor agrees this Memorandum of Agreement and Consent Order applies only to the facts and circumstances stated herein. The Commission reserves the right to take additional disciplinary action, up to and including suspension or revocation of Braeburn Liquor's Ticket Sales Agent License, for any further violations of the State Lottery Act or Commission rules.

6. Braeburn Liquor acknowledges and agrees that this Memorandum of Agreement and Consent Order, and the Agreed Findings of Fact and the Agreed Conclusions of Law contained herein, may be admitted in any future administrative action initiated against it by the Commission.

7. Braeburn Liquor agrees that if, after a formal hearing on the sole issue of compliance with the Memorandum of Agreement and Consent Order, it is found that Braeburn Liquor has failed to comply with the terms of the Memorandum of Agreement and Consent Order, disciplinary action shall be taken against Braeburn Liquor, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

8. Braeburn Liquor agrees to provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins. It further agrees that these active tickets will settle on the date the suspension begins, and Braeburn Liquor will be charged for tickets sold on or before that date. Braeburn Liquor will be credited for any tickets that have

Done Braeburn Liquor Memorandum of A...



disciplinary action shall be taken against Braeburn Liquor, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

8. Braeburn Liquor agrees to provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins. It further agrees that these active tickets will settle on the date the suspension begins, and Braeburn Liquor will be charged for tickets sold on or before that date. Braeburn Liquor will be credited for any tickets that have

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been paid for in previous sweeps and that are returned to and received by the Commission on or before the date the suspension begins.

AGREED AS TO FORM AND SUBSTANCE:

William D. Kitchens
d b a Braeburn Liquor

Texas Lottery Commission
Lottery Operations Division

By:

 8/6/2021

William D. Kitchens
Owner

DATE

By:

 8-19-21

Ryan S. Mindell
Director

DATE

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LEGAL SERVICES
REL

5



Commission Order No. 22-0005

Date: OCTOBER 21, 2021

Case No. 2021-721

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
WILLIAM D. KITCHENS	§	
D/B/A BRAEBURN LIQUOR	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 104286	§	LOTTERY COMMISSION

CONSENT ORDER

NOW, THEREFORE, IT IS ORDERED by the Texas Lottery Commission (Commission), based on the above Agreed Findings of Fact, Conclusions of Law and Memorandum of Agreement, which are hereby adopted and incorporated by reference as if fully set out and separately stated herein, as follows:

(1) IT IS ORDERED by the Commission that, in lieu of revocation of the Texas Lottery Ticket Sales Agent License of William D. Kitchens d/b/a Braeburn Liquor (Braeburn Liquor), the license is suspended for a period of ninety (90) consecutive days. The suspension period will begin within seven (7) days from the date this Consent Order is signed by the Commission. During the period of suspension, Braeburn Liquor shall not sell Texas Lottery tickets of any kind, shall not validate Texas Lottery tickets, and shall not pay lottery prizes to customers.

(2) IT IS FURTHER ORDERED by the Commission that, during the entire period of suspension, Braeburn Liquor shall post a notice of suspension, in the form and at the location prescribed by the Commission, visible to store customers, in the same area where Braeburn Liquor's Texas Lottery Ticket Sales Agent License is posted.

Commission Order No. 22-0005

Date: OCTOBER 21, 2021

(3) IT IS FURTHER ORDERED by the Commission that if, after a formal hearing on the sole issue of compliance with this Consent Order, it is found that Braeburn Liquor has failed to comply with the terms of this Order, disciplinary action shall be taken against Braeburn Liquor, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

(4) IT IS FURTHER ORDERED by the Commission that Braeburn Liquor shall provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins, that these active tickets will settle on that date, and Braeburn Liquor will be charged for the tickets sold on or before that date. Braeburn Liquor will be credited for any tickets that have been paid for in previous sweeps and that are returned to and received by the Commission on or before the date the suspension begins.

Commission Order No. 22-0005

Date: OCTOBER 21, 2021

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin,
Texas, on the 21ST day of OCTOBER, 2021.

Entered this 21ST day of OCTOBER, 2021.

ROBERT G. RIVERA, CHAIRMAN

CINDY FIELDS, COMMISSIONER

MARK A. FRANZ, COMMISSIONER

ERIK C. SAENZ, COMMISSIONER

JAMES H. C. STEEN, COMMISSIONER

Commission Order No. 22-0006

Date: OCTOBER 21, 2021

Case Nos. 2021-745 and 2021-746

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
R & K FOOD INC.	§	
D/B/A NORTH BLUFF GROCERY STORE	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 184424	§	LOTTERY COMMISSION

MEMORANDUM OF AGREEMENT AND CONSENT ORDER

The Texas Lottery Commission (Commission) and R & K Food Inc. d/b/a North Bluff Grocery Store (North Bluff Grocery Store) make the following Agreed Findings of Fact, Agreed Conclusions of Law, and Memorandum of Agreement, and enter into this Consent Order.

AGREED FINDINGS OF FACT

1. North Bluff Grocery Store holds Texas Lottery Ticket Sales Agent License No. 184424.
2. Ram Khadka is the president and Krisna Shrestha is the secretary of North Bluff Grocery Store, which is located at 800 E. William Cannon Dr., Austin, TX 78745.
3. Based on an internal review, the Commission initiated an investigation into certain claims made by Mr. Khadka and Mr. Shrestha. Specifically, in August and September of 2020, Mr. Khadka claimed five (5) Texas Lottery scratch tickets with a cumulative value of \$5,000 at the Austin Claim Center. In addition, in October and November of 2020, Mr. Shrestha claimed three (3) Texas Lottery scratch tickets with a cumulative value of \$3,000 at the Austin Claim Center.

4. On January 22, 2021, Mr. Khadka admitted to a Commission investigator that he purchased “two (2) or three (3)” of the five (5) scratch tickets he claimed as his own from store customers.

5. On April 8, 2021, Mr. Shrestha admitted to a Commission investigator that he purchased one (1) of the three (3) scratch tickets he claimed as his own from a store customer.

AGREED CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to Tex. Gov’t Code ch. 466 (State Lottery Act) and 16 Tex. Admin. Code ch. 401 (Commission rules).

2. North Bluff Grocery Store is obligated to follow the provisions of the State Lottery Act and the Commission rules to maintain its Texas Lottery Ticket Sales Agent License.

3. Tex. Gov’t Code §466.308(a) states:

A person commits an offense if the person intentionally or knowingly:

- (1) claims a lottery prize or a share of a lottery prize by means of fraud, deceit, or misrepresentation; or
- (2) aids or agrees to aid another person or persons to claim a lottery prize or a share of a lottery prize by means of fraud, deceit, or misrepresentation

4. Tex. Gov’t Code §466.310(a) states:

A person commits an offense if the person:

- (1) induces another person to assign or transfer a right to claim a prize;
- (2) offers for sale the right to claim a prize; or
- (3) offers, for compensation, to claim the prize of another person.

5. Tex. Gov’t Code §466.402(b) states:

The payment of a prize in an amount of \$600 or more may be made only by the director.

6. 16 Tex. Admin. Code §401.158(b) states, in pertinent part:

Without limiting the commission’s ability to consider factors listed in §401.153(b) of this title as grounds for suspension or revocation of a license issued under this

subchapter, the commission may also suspend or revoke a license for reasons including, but not limited to, any of the following:

...

(31) licensee intentionally or knowingly claims a lottery prize or a share of a lottery prize by means of fraud, deceit, or misrepresentation; or aids or agrees to aid another person or persons to claim a lottery prize or a share of a lottery prize by means of fraud, deceit, or misrepresentation.

...

(33) licensee:

(A) induces another person to assign or transfer a right to claim a prize;

(B) initiates or accepts an offer to sell the right to claim a prize;

(C) initiates or accepts an offer of compensation from another person to claim a lottery prize, or

(D) purchases a lottery ticket from a person who is not a licensed lottery retailer.

7. 16 Tex. Admin. Code §401.360 states:

Retailers may pay any lottery prize of less than \$600, after complying with established validation procedures. However, if a retailer validates a ticket of up to \$600, that retailer shall pay the prize amount on the ticket. Prizes of \$600 or more shall be paid by the Texas Lottery by mail or at a designated lottery claim center.

8. 16 Tex. Admin. Code §401.366 states:

Each retailer agrees to operate in a manner consistent with the State Lottery Act, applicable federal laws, Texas laws, local ordinances, with all terms and conditions related to the retailer's license, with all requirements set forth in the most recent Retailer Manual, the rules and regulations promulgated by the commission, and with his/her or its license from the Texas Lottery.

9. The Texas Lottery Ticket Sales Agent License of North Bluff Grocery Store is subject to suspension or revocation pursuant to Tex. Gov't Code §466.155(a)(5), as a result of North Bluff Grocery Store's violation of Tex. Gov't Code §§ 466.308(a), 466.310(a) and 466.402(b) and 16 Tex. Admin. Code §§ 401.158(b)(31) and (33), 401.360, and 401.366.

MEMORANDUM OF AGREEMENT

1. By signing this Memorandum of Agreement, North Bluff Grocery Store agrees to these terms, acknowledges understanding them, and waives all rights to procedural requirements for the entry of the Order consistent with the terms of this Memorandum of Agreement, including

but not limited to the right to notice of hearing, a formal hearing, a proposal for decision, a rehearing, and any right to seek judicial review of the Order.

2. The effective date of this Memorandum of Agreement and Consent Order shall be the date it is signed by the Commission.

3. North Bluff Grocery Store agrees that, as a result of its violation of Tex. Gov't Code §§ 466.308(a), 466.310(a) and 466.402(b) and 16 Tex. Admin. Code §§ 401.158(b)(31) and (33), 401.360, and 401.366, its Ticket Sales Agent License will be suspended for a period of ninety (90) consecutive days. The suspension period will begin within seven (7) days from the date this Memorandum of Agreement and Consent Order is signed by the Commission. During the period of suspension, North Bluff Grocery Store agrees that it will not sell Texas Lottery tickets of any kind, will not validate Texas Lottery tickets, and will not pay lottery prizes to customers.

4. During the entire period of suspension hereunder, North Bluff Grocery Store is required to post a notice of suspension in the form and at the location prescribed by the Commission, visible to store customers, in the same area where North Bluff Grocery Store's Ticket Sales Agent License is posted.

5. North Bluff Grocery Store agrees this Memorandum of Agreement and Consent Order applies only to the facts and circumstances stated herein. The Commission reserves the right to take additional disciplinary action, up to and including suspension or revocation of North Bluff Grocery Store's Ticket Sales Agent License, for any further violations of the State Lottery Act or Commission rules.

6. North Bluff Grocery Store acknowledges and agrees that this Memorandum of Agreement and Consent Order, and the Agreed Findings of Fact and the Agreed Conclusions of

Law contained herein, may be admitted in any future administrative action initiated against it by the Commission.

7. North Bluff Grocery Store agrees that if, after a formal hearing on the sole issue of compliance with the Memorandum of Agreement and Consent Order, it is found that North Bluff Grocery Store has failed to comply with the terms of the Memorandum of Agreement and Consent Order, disciplinary action shall be taken against North Bluff Grocery Store, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

8. North Bluff Grocery Store agrees to provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins. It further agrees that these active tickets will settle on the date the suspension begins, and North Bluff Grocery Store will be charged for tickets sold on or before that date. North Bluff Grocery Store will be credited for any tickets that have been paid for in previous sweeps and that are returned to and received by the Commission on or before the date the suspension begins.

AGREED AS TO FORM AND SUBSTANCE:

R & K Food Inc.
d/b/a North Bluff Grocery Store

Texas Lottery Commission
Lottery Operations Division

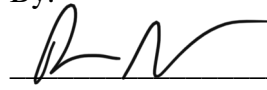
By:

 9-15-2021

Ram Khadka
President

DATE

By:



Ryan S. Mindell
Director

DATE

9-17-21

Commission Order No. 22-0006

Date: OCTOBER 21, 2021

Case Nos. 2021-745 and 2021-746

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
R & K FOOD INC.	§	
D/B/A NORTH BLUFF GROCERY STORE	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 184424	§	LOTTERY COMMISSION

CONSENT ORDER

NOW, THEREFORE, IT IS ORDERED by the Texas Lottery Commission (Commission), based on the above Agreed Findings of Fact, Conclusions of Law and Memorandum of Agreement, which are hereby adopted and incorporated by reference as if fully set out and separately stated herein, as follows:

(1) IT IS ORDERED by the Commission that, in lieu of revocation of the Texas Lottery Ticket Sales Agent License of R & K Food Inc. d/b/a North Bluff Grocery Store (North Bluff Grocery Store), the license is suspended for a period of ninety (90) consecutive days. The suspension period will begin within seven (7) days from the date this Consent Order is signed by the Commission. During the period of suspension, North Bluff Grocery Store shall not sell Texas Lottery tickets of any kind, shall not validate Texas Lottery tickets, and shall not pay lottery prizes to customers.

(2) IT IS FURTHER ORDERED by the Commission that, during the entire period of suspension, North Bluff Grocery Store shall post a notice of suspension, in the form and at the location prescribed by the Commission, visible to store customers, in the same area where North Bluff Grocery Store's Texas Lottery Ticket Sales Agent License is posted.

Commission Order No. 22-0006

Date: OCTOBER 21, 2021

(3) IT IS FURTHER ORDERED by the Commission that if, after a formal hearing on the sole issue of compliance with this Consent Order, it is found that North Bluff Grocery Store has failed to comply with the terms of this Order, disciplinary action shall be taken against North Bluff Grocery Store, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

(4) IT IS FURTHER ORDERED by the Commission that North Bluff Grocery Store shall provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins, that these active tickets will settle on that date, and North Bluff Grocery Store will be charged for the tickets sold on or before that date. North Bluff Grocery Store will be credited for any tickets that have been paid for in previous sweeps and that are returned to and received by the Commission on or before the date the suspension begins.

Commission Order No. 22-0006

Date: OCTOBER 21, 2021

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin,
Texas, on the 21ST day of OCTOBER, 2021.

Entered this 21ST day of OCTOBER, 2021.

ROBERT G. RIVERA, CHAIRMAN

CINDY FIELDS, COMMISSIONER

MARK A. FRANZ, COMMISSIONER

ERIK C. SAENZ, COMMISSIONER

JAMES H. C. STEEN, COMMISSIONER

Commission Order No. 22-0007

Date: OCTOBER 21, 2021

Case No. 2021-749

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
AHMED ABU-ALGHANAM	§	
D/B/A ENERGY EXXON	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 145122	§	LOTTERY COMMISSION

MEMORANDUM OF AGREEMENT AND CONSENT ORDER

The Texas Lottery Commission (Commission) and Ahmed Abu-Alghanam d/b/a Energy Exxon (Energy Exxon) make the following Agreed Findings of Fact, Agreed Conclusions of Law, and Memorandum of Agreement, and enter into this Consent Order.

AGREED FINDINGS OF FACT

1. Energy Exxon holds Texas Lottery Ticket Sales Agent License No. 145122.
2. Ahmed Abu-Alghanam is the owner of Energy Exxon, which is located at 3838 Andrews Hwy., Odessa, TX 79762.
3. At the Odessa Claim Center, on September 16, 2020, Mr. Abu-Alghanam claimed a Texas Lottery scratch ticket with a prize value of \$1,000. Based on an internal review, the Commission initiated an investigation into this claim.
4. On December 22, 2020, Mr. Abu-Alghanam admitted to a Commission investigator that he paid a store customer \$700 for the scratch ticket.

AGREED CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to Tex. Gov't Code ch. 466 (State Lottery Act) and 16 Tex. Admin. Code ch. 401 (Commission rules).

2. Energy Exxon is obligated to follow the provisions of the State Lottery Act and the Commission rules to maintain its Texas Lottery Ticket Sales Agent License.

3. Tex. Gov't Code §466.310(a) states:

A person commits an offense if the person:

- (1) induces another person to assign or transfer a right to claim a prize;
- (2) offers for sale the right to claim a prize; or
- (3) offers, for compensation, to claim the prize of another person.

4. Tex. Gov't Code §466.402(b) states:

The payment of a prize in an amount of \$600 or more may be made only by the director.

5. 16 Tex. Admin. Code §401.158(b) states, in pertinent part:

Without limiting the commission's ability to consider factors listed in §401.153(b) of this title as grounds for suspension or revocation of a license issued under this subchapter, the commission may also suspend or revoke a license for reasons including, but not limited to, any of the following:

...

(33) licensee:

- (A) induces another person to assign or transfer a right to claim a prize;
- (B) initiates or accepts an offer to sell the right to claim a prize;
- (C) initiates or accepts an offer of compensation from another person to claim a lottery prize, or
- (D) purchases a lottery ticket from a person who is not a licensed lottery retailer.

6. 16 Tex. Admin. Code §401.360 states:

Retailers may pay any lottery prize of less than \$600, after complying with established validation procedures. However, if a retailer validates a ticket of up to \$600, that retailer shall pay the prize amount on the ticket. Prizes of \$600 or more shall be paid by the Texas Lottery by mail or at a designated lottery claim center.

7. 16 Tex. Admin. Code §401.366 states:

Each retailer agrees to operate in a manner consistent with the State Lottery Act, applicable federal laws, Texas laws, local ordinances, with all terms and conditions related to the retailer's license, with all requirements set forth in the most recent Retailer Manual, the rules and regulations promulgated by the commission, and with his/her or its license from the Texas Lottery.

8. The Texas Lottery Ticket Sales Agent License of Energy Exxon is subject to suspension or revocation pursuant to Tex. Gov't Code §466.155(a)(5), as a result of Energy Exxon's violation of Tex. Gov't Code §§ 466.310(a) and 466.402(b) and 16 Tex. Admin. Code §§ 401.158(b)(33), 401.360, and 401.366.

MEMORANDUM OF AGREEMENT

1. By signing this Memorandum of Agreement, Energy Exxon agrees to these terms, acknowledges understanding them, and waives all rights to procedural requirements for the entry of the Order consistent with the terms of this Memorandum of Agreement, including but not limited to the right to notice of hearing, a formal hearing, a proposal for decision, a rehearing, and any right to seek judicial review of the Order.

2. The effective date of this Memorandum of Agreement and Consent Order shall be the date it is signed by the Commission.

3. Energy Exxon agrees that, as a result of its violation of Tex. Gov't Code §§ 466.310(a) and 466.402(b) and 16 Tex. Admin. Code §§ 401.158(b)(33), 401.360, and 401.366, its Ticket Sales Agent License will be suspended for a period of ninety (90) consecutive days. The suspension period will begin within seven (7) days from the date this Memorandum of Agreement and Consent Order is signed by the Commission. During the period of suspension, Energy Exxon agrees that it will not sell Texas Lottery tickets of any kind, will not validate Texas Lottery tickets, and will not pay lottery prizes to customers.

4. During the entire period of suspension hereunder, Energy Exxon is required to post a notice of suspension in the form and at the location prescribed by the Commission, visible to store customers, in the same area where Energy Exxon's Ticket Sales Agent License is posted.

5. Energy Exxon agrees this Memorandum of Agreement and Consent Order applies only to the facts and circumstances stated herein. The Commission reserves the right to take additional disciplinary action, up to and including suspension or revocation of Energy Exxon's Ticket Sales Agent License, for any further violations of the State Lottery Act or Commission rules.

6. Energy Exxon acknowledges and agrees that this Memorandum of Agreement and Consent Order, and the Agreed Findings of Fact and the Agreed Conclusions of Law contained herein, may be admitted in any future administrative action initiated against it by the Commission.

7. Energy Exxon agrees that if, after a formal hearing on the sole issue of compliance with the Memorandum of Agreement and Consent Order, it is found that Energy Exxon has failed to comply with the terms of the Memorandum of Agreement and Consent Order, disciplinary action shall be taken against Energy Exxon, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

8. Energy Exxon agrees to provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins. It further agrees that these active tickets will settle on the date the suspension begins, and Energy Exxon will be charged for tickets sold on or before that date. Energy Exxon will be credited for any tickets that have been paid for in previous sweeps and that are returned to and received by the Commission on or before the date the suspension begins.

AGREED AS TO FORM AND SUBSTANCE:

Ahmed Abu-Alghanam
d/b/a Energy Exxon

Texas Lottery Commission
Lottery Operations Division

By:

Ahmed Abu-Alghanam 8/26/21
Ahmed Abu-Alghanam DATE
Owner

By:

Ryan S. Mindell 8-26-21
Ryan S. Mindell DATE
Director

Commission Order No. 22-0007

Date: OCTOBER 21, 2021

Case No. 2021-749

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
AHMED ABU-ALGHANAM	§	
D/B/A ENERGY EXXON	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 145122	§	LOTTERY COMMISSION

CONSENT ORDER

NOW, THEREFORE, IT IS ORDERED by the Texas Lottery Commission (Commission), based on the above Agreed Findings of Fact, Conclusions of Law and Memorandum of Agreement, which are hereby adopted and incorporated by reference as if fully set out and separately stated herein, as follows:

(1) IT IS ORDERED by the Commission that, in lieu of revocation of the Texas Lottery Ticket Sales Agent License of Ahmed Abu-Alghanam d/b/a Energy Exxon (Energy Exxon), the license is suspended for a period of ninety (90) consecutive days. The suspension period will begin within seven (7) days from the date this Consent Order is signed by the Commission. During the period of suspension, Energy Exxon shall not sell Texas Lottery tickets of any kind, shall not validate Texas Lottery tickets, and shall not pay lottery prizes to customers.

(2) IT IS FURTHER ORDERED by the Commission that, during the entire period of suspension, Energy Exxon shall post a notice of suspension, in the form and at the location prescribed by the Commission, visible to store customers, in the same area where Energy Exxon's Texas Lottery Ticket Sales Agent License is posted.

Commission Order No. 22-0007

Date: OCTOBER 21, 2021

(3) IT IS FURTHER ORDERED by the Commission that if, after a formal hearing on the sole issue of compliance with this Consent Order, it is found that Energy Exxon has failed to comply with the terms of this Order, disciplinary action shall be taken against Energy Exxon, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

(4) IT IS FURTHER ORDERED by the Commission that Energy Exxon shall provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins, that these active tickets will settle on that date, and Energy Exxon will be charged for the tickets sold on or before that date. Energy Exxon will be credited for any tickets that have been paid for in previous sweeps and that are returned to and received by the Commission on or before the date the suspension begins.

Commission Order No. 22-0007

Date: OCTOBER 21, 2021

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin,
Texas, on the 21ST day of OCTOBER, 2021.

Entered this 21ST day of OCTOBER, 2021.

ROBERT G. RIVERA, CHAIRMAN

CINDY FIELDS, COMMISSIONER

MARK A. FRANZ, COMMISSIONER

ERIK C. SAENZ, COMMISSIONER

JAMES H. C. STEEN, COMMISSIONER

Commission Order No. 22-0008

Date: OCTOBER 21, 2021

Case No. 2021-775

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
DREAM PARADISE LLC	§	
D/B/A NEW MILLENNIUM MART	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 180287	§	LOTTERY COMMISSION

MEMORANDUM OF AGREEMENT AND CONSENT ORDER

The Texas Lottery Commission (Commission) and Dream Paradise LLC d/b/a New Millennium Mart (New Millennium Mart) make the following Agreed Findings of Fact, Agreed Conclusions of Law, and Memorandum of Agreement, and enter into this Consent Order.

AGREED FINDINGS OF FACT

1. New Millennium Mart holds Texas Lottery Ticket Sales Agent License No. 180287.
2. Nawaraj Bhandari is the managing member of New Millennium Mart, which is located at 3700 N. Josey Lane, Carrollton, TX 75007.
3. On October 21, 2020, the Commission received a complaint that New Millennium Mart required the purchase of store merchandise in order to purchase lottery tickets. Based on an internal review, the Commission initiated an investigation into this complaint.
4. On February 9, 2021, Mr. Bhandari admitted to a Commission investigator to requiring the purchase of other store merchandise when using a debit card to buy a single lottery draw ticket. Mr. Bhandari also stated that he asks that customers buy a minimum of \$20 in lottery tickets if they are using a debit card.

AGREED CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to Tex. Gov't Code ch. 466 (State Lottery Act) and 16 Tex. Admin. Code ch. 401 (Commission rules).
2. New Millennium Mart is obligated to follow the provisions of the State Lottery Act and the Commission rules to maintain its Texas Lottery Ticket Sales Agent License.
3. 16 Tex. Admin. Code §401.158(b) states, in pertinent part:

Without limiting the commission's ability to consider factors listed in §401.153(b) of this title as grounds for suspension or revocation of a license issued under this subchapter, the commission may also suspend or revoke a license for reasons including, but not limited to, any of the following:

...

(23) licensee charges a fee for lottery ticket purchases using a debit card and/or requires a minimum dollar amount for debit card purchases of only lottery tickets.
4. 16 Tex. Admin. Code §401.366 states:

Each retailer agrees to operate in a manner consistent with the State Lottery Act, applicable federal laws, Texas laws, local ordinances, with all terms and conditions related to the retailer's license, with all requirements set forth in the most recent Retailer Manual, the rules and regulations promulgated by the commission, and with his/her or its license from the Texas Lottery.
5. The Texas Legislature has mandated that the Commission "exercise strict control and close supervision over all lottery games conducted in this state to promote and ensure integrity, security, honesty, and fairness in the operation and administration of the lottery." Tex. Gov't Code §466.014(a).
6. The Texas Lottery Ticket Sales Agent License of New Millennium Mart is subject to suspension or revocation pursuant to Tex. Gov't Code §466.155(a)(5), as a result of New Millennium Mart's violation of 16 Tex. Admin. Code §§ 401.158(b)(23) and 401.366.

MEMORANDUM OF AGREEMENT

1. By signing this Memorandum of Agreement, New Millennium Mart agrees to these terms, acknowledges understanding them, and waives all rights to procedural requirements for the entry of the Order consistent with the terms of this Memorandum of Agreement, including but not limited to the right to notice of hearing, a formal hearing, a proposal for decision, a rehearing, and any right to seek judicial review of the Order.

2. The effective date of this Memorandum of Agreement and Consent Order shall be the date it is signed by the Commission.

3. New Millennium Mart agrees that, as a result of its violation of 16 Tex. Admin. Code §§ 401.158(b)(23) and 401.366, its Ticket Sales Agent License will be suspended for a period of ten (10) consecutive days. The suspension period will begin within seven (7) days from the date this Memorandum of Agreement and Consent Order is signed by the Commission. During the period of suspension, New Millennium Mart agrees that it will not sell Texas Lottery tickets of any kind, will not validate Texas Lottery tickets, and will not pay lottery prizes to customers.

4. During the entire period of suspension hereunder, New Millennium Mart is required to post a notice of suspension in the form and at the location prescribed by the Commission, visible to store customers, in the same area where New Millennium Mart's Ticket Sales Agent License is posted.

5. New Millennium Mart agrees this Memorandum of Agreement and Consent Order applies only to the facts and circumstances stated herein. The Commission reserves the right to take additional disciplinary action, up to and including suspension or revocation of New Millennium Mart's Ticket Sales Agent License, for any further violations of the State Lottery Act or Commission rules.

6. New Millennium Mart acknowledges and agrees that this Memorandum of Agreement and Consent Order, and the Agreed Findings of Fact and the Agreed Conclusions of Law contained herein, may be admitted in any future administrative action initiated against it by the Commission.

7. New Millennium Mart agrees that if, after a formal hearing on the sole issue of compliance with the Memorandum of Agreement and Consent Order, it is found that New Millennium Mart has failed to comply with the terms of the Memorandum of Agreement and Consent Order, disciplinary action shall be taken against New Millennium Mart, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

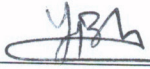
8. New Millennium Mart agrees to provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins. It further agrees that these active tickets will settle on the date the suspension begins, and New Millennium Mart will be charged for tickets sold on or before that date. New Millennium Mart will be credited for any tickets that have been paid for in previous sweeps and that are returned to and received by the Commission on or before the date the suspension begins.

AGREED AS TO FORM AND SUBSTANCE:

Dream Paradise LLC
d/b/a New Millennium Mart

Texas Lottery Commission
Lottery Operations Division

By:

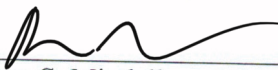


Nawaraj Bhandari
Managing Member

09/20/2021

DATE

By:



Ryan S. Mindell
Director

9-22-21

DATE

Commission Order No. 22-0008

Date: OCTOBER 21, 2021

Case No. 2021-775

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
DREAM PARADISE LLC	§	
D/B/A NEW MILLENNIUM MART	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 180287	§	LOTTERY COMMISSION

CONSENT ORDER

NOW, THEREFORE, IT IS ORDERED by the Texas Lottery Commission (Commission), based on the above Agreed Findings of Fact, Conclusions of Law and Memorandum of Agreement, which are hereby adopted and incorporated by reference as if fully set out and separately stated herein, as follows:

(1) IT IS ORDERED by the Commission that, in lieu of revocation of Dream Paradise LLC d/b/a New Millennium Mart's (New Millennium Mart) Texas Lottery Ticket Sales Agent License, the license is suspended for a period of ten (10) consecutive days. The suspension period will begin within seven (7) days from the date this Consent Order is signed by the Commission. During the period of suspension, New Millennium Mart shall not sell Texas Lottery tickets of any kind, shall not validate Texas Lottery tickets, and shall not pay lottery prizes to customers.

(2) IT IS FURTHER ORDERED by the Commission that, during the entire period of suspension, New Millennium Mart shall post a notice of suspension, in the form and at the location prescribed by the Commission, visible to store customers, in the same area where New Millennium Mart's Texas Lottery Ticket Sales Agent License is posted.

Commission Order No. 22-0008

Date: OCTOBER 21, 2021

(3) IT IS FURTHER ORDERED by the Commission that if, after a formal hearing on the sole issue of compliance with this Consent Order, it is found that New Millennium Mart has failed to comply with the terms of this Order, disciplinary action shall be taken against New Millennium Mart, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

(4) IT IS FURTHER ORDERED by the Commission that New Millennium Mart shall provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins, that these active tickets will settle on that date, and New Millennium Mart will be charged for the tickets sold on or before that date. New Millennium Mart will be credited for any tickets that have been paid for in previous sweeps and that are returned to and received by the Commission on or before the date the suspension begins.

Commission Order No. 22-0008

Date: OCTOBER 21, 2021

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin,
Texas, on the 21ST day of OCTOBER, 2021.

Entered this 21ST day of OCTOBER, 2021.

ROBERT G. RIVERA, CHAIRMAN

CINDY FIELDS, COMMISSIONER

MARK A. FRANZ, COMMISSIONER

ERIK C. SAENZ, COMMISSIONER

JAMES H. C. STEEN, COMMISSIONER

Commission Order No. 22-0009

Date: OCTOBER 21, 2021

Case No. 2021-776

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
REHMAN INC.	§	
D/B/A SHELL FOOD MART	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 153579	§	LOTTERY COMMISSION

MEMORANDUM OF AGREEMENT AND CONSENT ORDER

The Texas Lottery Commission (Commission) and Rehman Inc. d/b/a Shell Food Mart (Shell Food Mart) make the following Agreed Findings of Fact, Agreed Conclusions of Law, and Memorandum of Agreement, and enter into this Consent Order.

AGREED FINDINGS OF FACT

1. Shell Food Mart holds Texas Lottery Ticket Sales Agent License No. 153579.
2. Mahmud Dahri is the secretary of Shell Food Mart, which is located at 16955 W. Little York Rd., Houston, TX 77084.
3. On January 6, 2021, the Commission received a complaint that Shell Food Mart assessed a fee on a purchase of Texas Lottery draw tickets. The Commission initiated an investigation into this complaint.
4. On February 5, 2021, Basim Farah, a Shell Food Mart employee, allowed a Commission investigator to purchase a Texas Lottery draw ticket with a credit card.

AGREED CONCLUSIONS OF LAW

1. The Commission has jurisdiction over this matter pursuant to Tex. Gov't Code ch. 466 (State Lottery Act) and 16 Tex. Admin. Code ch. 401 (Commission rules).

2. Shell Food Mart is obligated to follow the provisions of the State Lottery Act and the Commission rules to maintain its Texas Lottery Ticket Sales Agent License.

3. Tex. Gov't Code §466.3052(a) states:

A person commits an offense if the person intentionally or knowingly sells a ticket and the person accepts anything other than the following as payment for the ticket:

- (1) United States currency;
- (2) a negotiable instrument in the form of a check that meets the requirements of Section 3.104, Business & Commerce Code;
- (3) a debit made through a financial institution debit card;
- (4) a coupon or voucher issued by the commission for purposes of purchasing a lottery ticket; or
- (5) a mail order subscription on a mail order subscription form authorized by the commission.

4. 16 Tex. Admin. Code §401.158(b) states, in pertinent part:

Without limiting the commission's ability to consider factors listed in §401.153(b) of this title as grounds for suspension or revocation of a license issued under this subchapter, the commission may also suspend or revoke a license for reasons including, but not limited to, any of the following:

...

- (27) licensee intentionally or knowingly sells a ticket and accepts anything for payment not specifically allowed under the State Lottery Act;

5. 16 Tex. Admin. Code §401.366 states:

Each retailer agrees to operate in a manner consistent with the State Lottery Act, applicable federal laws, Texas laws, local ordinances, with all terms and conditions related to the retailer's license, with all requirements set forth in the most recent Retailer Manual, the rules and regulations promulgated by the commission, and with his/her or its license from the Texas Lottery.

6. The Texas Legislature has mandated that the Commission "exercise strict control and close supervision over all lottery games conducted in this state to promote and ensure integrity, security, honesty, and fairness in the operation and administration of the lottery." Tex. Gov't Code §466.014(a).

7. Under Texas law, an employer is liable, vicariously, for the acts of its servants committed in the course and scope of their employment. *GTE Southwest, Inc. v. Bruce*, 998 S.W.2d 605, 617–18 (Tex. 1999). An employee is acting within the scope of their employment if they are performing duties generally assigned to them, regardless of whether the employee acted intentionally and unlawfully. *Fink v. Anderson*, 477 S.W.3d 460, 468 (Tex. App.— Houston [1st Dist.] 2015, no pet.).

8. The State Lottery Act recognizes that a sales agent’s unlicensed employees may lawfully perform lottery-related duties of their licensee employers, including selling and handling lottery tickets and handling the revenue generated from ticket sales. Tex. Gov’t Code §§ 466.201(a)(7), 466.303(a), 466.305(a), 466.3051(a), and 466.353(a). Thus, the Commission’s ability to attribute employee violations committed within the course and scope of their employment to their licensee employer is within the Commission’s implied authority and is reasonably necessary to fulfill the Commission’s express duty to exercise strict control and supervision over the lottery.

9. The Texas Lottery Ticket Sales Agent License of Shell Food Mart is subject to suspension or revocation pursuant to Tex. Gov’t Code §466.155(a)(5), as a result of Shell Food Mart’s violation of Tex. Gov’t Code §466.3052(a) and 16 Tex. Admin. Code §§ 401.158(b)(27) and 401.366.

MEMORANDUM OF AGREEMENT

1. By signing this Memorandum of Agreement, Shell Food Mart agrees to these terms, acknowledges understanding them, and waives all rights to procedural requirements for the entry of the Order consistent with the terms of this Memorandum of Agreement, including but not

limited to the right to notice of hearing, a formal hearing, a proposal for decision, a rehearing, and any right to seek judicial review of the Order.

2. The effective date of this Memorandum of Agreement and Consent Order shall be the date it is signed by the Commission.

3. Shell Food Mart agrees that, as a result of its violation of Tex. Gov't Code §466.3052(a) and 16 Tex. Admin. Code §§ 401.158(b)(27) and 401.366, its Ticket Sales Agent License will be suspended for a period of thirty (30) consecutive days. The suspension period will begin within seven (7) days from the date this Memorandum of Agreement and Consent Order is signed by the Commission. During the period of suspension, Shell Food Mart agrees that it will not sell Texas Lottery tickets of any kind, will not validate Texas Lottery tickets, and will not pay lottery prizes to customers.

4. During the entire period of suspension hereunder, Shell Food Mart is required to post a notice of suspension in the form and at the location prescribed by the Commission, visible to store customers, in the same area where Shell Food Mart's Ticket Sales Agent License is posted.

5. Shell Food Mart agrees this Memorandum of Agreement and Consent Order applies only to the facts and circumstances stated herein. The Commission reserves the right to take additional disciplinary action, up to and including suspension or revocation of Shell Food Mart's Ticket Sales Agent License, for any further violations of the State Lottery Act or Commission rules.

6. Shell Food Mart acknowledges and agrees that this Memorandum of Agreement and Consent Order, and the Agreed Findings of Fact and the Agreed Conclusions of Law contained herein, may be admitted in any future administrative action initiated against it by the Commission.

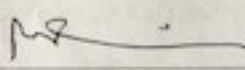
7. Shell Food Mart agrees that if, after a formal hearing on the sole issue of compliance with the Memorandum of Agreement and Consent Order, it is found that Shell Food Mart has failed to comply with the terms of the Memorandum of Agreement and Consent Order, disciplinary action shall be taken against Shell Food Mart, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

8. Shell Food Mart agrees to provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins. It further agrees that these active tickets will settle on the date the suspension begins, and Shell Food Mart will be charged for tickets sold on or before that date. Shell Food Mart will be credited for any tickets that have been paid for in previous sweeps and that are returned to and received by the Commission on or before the date the suspension begins.

AGREED AS TO FORM AND SUBSTANCE:

Rehman Inc.
d/b/a Shell Food Mart

By:



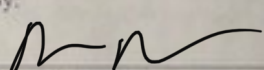
Mahmud Dahri
Secretary

9/7/21

DATE

Texas Lottery Commission
Lottery Operations Division

By:



Ryan S. Mindell
Director

9-15-21

DATE

Commission Order No. 22-0009

Date: OCTOBER 21, 2021

Case No. 2021-776

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
REHMAN INC.	§	
D/B/A SHELL FOOD MART	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 153579	§	LOTTERY COMMISSION

CONSENT ORDER

NOW, THEREFORE, IT IS ORDERED by the Texas Lottery Commission (Commission), based on the above Agreed Findings of Fact, Conclusions of Law and Memorandum of Agreement, which are hereby adopted and incorporated by reference as if fully set out and separately stated herein, as follows:

(1) IT IS ORDERED by the Commission that, in lieu of revocation of the Texas Lottery Ticket Sales Agent License of Rehman Inc. d/b/a Shell Food Mart (Shell Food Mart), the license is suspended for a period of thirty (30) consecutive days. The suspension period will begin within seven (7) days from the date this Consent Order is signed by the Commission. During the period of suspension, Shell Food Mart shall not sell Texas Lottery tickets of any kind, shall not validate Texas Lottery tickets, and shall not pay lottery prizes to customers.

(2) IT IS FURTHER ORDERED by the Commission that, during the entire period of suspension, Shell Food Mart shall post a notice of suspension, in the form and at the location prescribed by the Commission, visible to store customers, in the same area where Shell Food Mart's Texas Lottery Ticket Sales Agent License is posted.

Commission Order No. 22-0009

Date: OCTOBER 21, 2021

(3) IT IS FURTHER ORDERED by the Commission that if, after a formal hearing on the sole issue of compliance with this Consent Order, it is found that Shell Food Mart has failed to comply with the terms of this Order, disciplinary action shall be taken against Shell Food Mart, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

(4) IT IS FURTHER ORDERED by the Commission that Shell Food Mart shall provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins, that these active tickets will settle on that date, and Shell Food Mart will be charged for the tickets sold on or before that date. Shell Food Mart will be credited for any tickets that have been paid for in previous sweeps and that are returned to and received by the Commission on or before the date the suspension begins.

Commission Order No. 22-0009

Date: OCTOBER 21, 2021

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin,
Texas, on the 21ST day of OCTOBER, 2021.

Entered this 21ST day of OCTOBER, 2021.

ROBERT G. RIVERA, CHAIRMAN

CINDY FIELDS, COMMISSIONER

MARK A. FRANZ, COMMISSIONER

ERIK C. SAENZ, COMMISSIONER

JAMES H. C. STEEN, COMMISSIONER