



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 "RBB", is written over the name "Bob Biard".

Date: August 11, 2022

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.

A-B

Date: AUGUST 11, 2022

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: AUGUST 11, 2022

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. 22-0037

Date: AUGUST 11, 2022

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 11TH day of AUGUST, 2022.

Entered this 11TH day of AUGUST, 2022.

ROBERT G. RIVERA, CHAIRMAN

CINDY FIELDS, COMMISSIONER

MARK A. FRANZ, COMMISSIONER

ERIK C. SAENZ, COMMISSIONER

JAMES H. C. STEEN, COMMISSIONER

Commission Order No. 22-0037

Date: AUGUST 11, 2022

ATTACHMENT A

TAB NO.	SOAH DOCKET NO.	TICKET SALES AGENT NAME	TICKET SALES AGENT ADDRESS	LOTTERY LICENSE NO.
A.	362-22-2434	Excellence Business Inc. d/b/a 24 Seven Cullen Food Mart	12800 Northborough Dr. Houston, TX 77067	187464
B.	362-22-2819	Alon One Stop LLC d/b/a Alon Mart	414 S. 1 st St. Brownfield, TX 79316	189741

SOAH Docket No. 362-22-2434

Suffix: TLC

**BEFORE THE
STATE OFFICE OF ADMINISTRATIVE
HEARINGS**

FILED
362-22-2434
7/11/2022 5:02 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

ACCEPTED
362-22-2434
7/11/2022 5:13:06 pm
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

**TEXAS LOTTERY COMMISSION,
PETITIONER
V.
EXCELLENCE BUSINESS INC DBA 24 SEVEN CULLEN FOOD MART,
RESPONDENT**

DEFAULT DISMISSAL ORDER

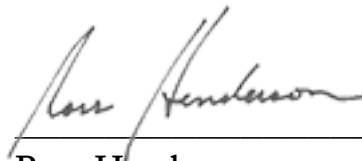
On July 7, 2022, the undersigned Administrative Law Judge (ALJ) convened a hearing on the merits in this matter. Attorney TLC Staff Attorney Kyle Wolfe appeared for the staff (Staff) of the Texas Lottery Commission (Commission). EXCELLENCE BUSINESS INC d/b/a 24 SEVEN CULLEN FOOD MART (Respondent) did not appear and was not represented at the hearing. Staff Exhibits Exhibit Nos. 1-3 were admitted showing proof of adequate notice to Respondent.¹ Upon establishing adequate notice, Staff moved for a default dismissal. Staff's motion is **GRANTED**, and the factual allegations detailed in the Notice of Hearing and the documents incorporated within that notice are deemed admitted.²

¹ 1 Tex. Admin. Code § 155.501(b), as amended effective November 29, 2020.

² 1 Tex. Admin. Code § 155.501(d)(1), as amended effective November 29, 2020.

Respondent may file a motion to set aside the default within 15 days of the date of this order.³ The motion must show good cause for resetting a hearing or show that the interests of justice require setting aside the default. If Respondent does not file a timely motion to set aside, or if the ALJ finds that a filed motion should be denied, the contested case will be remanded to the Commission for informal disposition on a default basis in accordance with the Administrative Procedure Act.⁴

SIGNED JULY 11, 2022

A handwritten signature in cursive script, appearing to read "Ross Henderson", written in black ink.

Ross Henderson,
Presiding Administrative Law Judge

³ 1 Tex. Admin. Code § 155.501(e), as amended effective November 29, 2020.

⁴ Tex. Gov't Code § 2001.056.

**BEFORE THE
STATE OFFICE OF ADMINISTRATIVE
HEARINGS**

**TEXAS LOTTERY COMMISSION,
PETITIONER
V.
ALON ONE STOP LLC DBA ALON MART,
RESPONDENT**

DEFAULT DISMISSAL ORDER

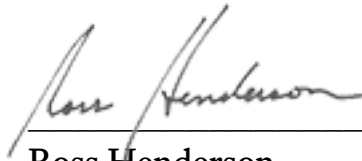
On July 7, 2022, the undersigned Administrative Law Judge (ALJ) convened a hearing on the merits in this matter. Attorney TLC Staff Attorney Kyle Wolfe appeared for the staff (Staff) of the Texas Lottery Commission (Commission). ALON ONE STOP LLC d/b/a ALON MART (Respondent) did not appear and was not represented at the hearing. Staff Exhibits Exhibit Nos. 1-3 were admitted showing proof of adequate notice to Respondent.¹ Upon establishing adequate notice, Staff moved for a default dismissal. Staff's motion is **GRANTED**, and the factual allegations detailed in the Notice of Hearing and the documents incorporated within that notice are deemed admitted.²

¹ 1 Tex. Admin. Code § 155.501(b), as amended effective November 29, 2020.

² 1 Tex. Admin. Code § 155.501(d)(1), as amended effective November 29, 2020.

Respondent may file a motion to set aside the default within 15 days of the date of this order.³ The motion must show good cause for resetting a hearing or show that the interests of justice require setting aside the default. If Respondent does not file a timely motion to set aside, or if the ALJ finds that a filed motion should be denied, the contested case will be remanded to the Commission for informal disposition on a default basis in accordance with the Administrative Procedure Act.⁴

SIGNED JULY 13, 2022

A handwritten signature in cursive script, appearing to read "Ross Henderson", is written over a horizontal line.

Ross Henderson,
Presiding Administrative Law Judge

³ 1 Tex. Admin. Code § 155.501(e), as amended effective November 29, 2020.

⁴ Tex. Gov't Code § 2001.056.

Commission Order No. 22-0038

Date: AUGUST 11, 2022

Case No. 2022-223

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
HUTTO FUEL INC.	§	
D/B/A QUICK C-STORE	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 177239	§	LOTTERY COMMISSION

MEMORANDUM OF AGREEMENT AND CONSENT ORDER

The Texas Lottery Commission (Commission) and Hutto Fuel Inc. d/b/a Quick C-Store (Quick C-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. Quick C-Store holds Texas Lottery Ticket Sales Agent License No. 177239.
2. Rahim Sadruddin is the president of Quick C-Store, which is located at 1501 FM 685, Hutto, TX 78634.
3. On September 11, 2021 and November 17, 2021, the Commission received two separate complaints that Quick C-Store requires a \$20 minimum for debit card purchases of only Texas Lottery tickets. The Commission initiated an investigation into these complaints.
4. On September 23, 2021 and December 9, 2021, a Commission investigator spoke with Mr. Sadruddin regarding the two complaints. Mr. Sadruddin admitted to a Commission investigator that Quick C-Store requires a \$20 minimum for debit card purchases of only lottery tickets. He also admitted that Quick C-Store requires customers to make an additional purchase of store merchandise when they purchase less than \$20 of lottery tickets with 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. Quick C-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 §466.155(a) states, in pertinent part:

After a hearing, the director shall deny an application for a license or the commission shall suspend or revoke a license if the director or commission, as applicable, finds that the applicant or sales agent:

...

(5) has violated this chapter or a rule adopted under this chapter.
4. Tex. Gov't Code §466.302(a) states:

A person commits an offense if the person intentionally or knowingly sells a ticket at a price the person knows is greater than that fixed by the commission or by the lottery operator authorized to set that price.
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:

...

(22) licensee intentionally or knowingly sells a ticket at a price the licensee knows is greater than the price set by the executive director;

(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.
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 from the Texas Lottery.

7. The Texas Lottery Ticket Sales Agent License of Quick C-Store is subject to suspension or revocation pursuant to Tex. Gov't Code §466.155(a)(5), as a result of Quick C-Store's violation of Tex. Gov't Code §466.302(a) and 16 Tex. Admin. Code §§ 401.158(b)(22) and (23) and 401.366.

MEMORANDUM OF AGREEMENT

1. By signing this Memorandum of Agreement, Quick C-Store agrees to these terms, acknowledges understanding them, and waives all rights to procedural requirements for the entry of the Consent Order (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 the Order is signed by the Commission.

3. Quick C-Store agrees that, as a result of its violation of Tex. Gov't Code §466.302(a) and 16 Tex. Admin. Code §§ 401.158(b)(22) and (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 the Order is signed by the Commission. During the period of suspension, Quick C-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, Quick C-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 Quick C-Store's Ticket Sales Agent License is posted.

5. Quick C-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 Quick C-Store's Ticket Sales Agent License, for any further violations of the State Lottery Act or Commission rules.

6. Quick C-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. Quick C-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 Quick C-Store has failed to comply with the terms of the Memorandum of Agreement and Consent Order, disciplinary action shall be taken against Quick C-Store, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

8. Quick C-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 Quick C-Store will be charged for tickets sold on or before that date. Quick C-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:

Hutto Fuel Inc.
d/b/a Quick C-Store


By:


Syeed Sadruddin
Vice President

DATE

Texas Lottery Commission
Lottery Operations Division

By:


Ryan S. Mindell
Director

6/2/2022

DATE

Commission Order No. 22-0038

Date: AUGUST 11, 2022

Case No. 2022-223

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
HUTTO FUEL INC.	§	
D/B/A QUICK C-STORE	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 177239	§	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 Hutto Fuel Inc. d/b/a Quick C-Store (Quick C-Store), 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 (Order) is signed by the Commission. During the period of suspension, Quick C-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, Quick C-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 Quick C-Store's Texas Lottery Ticket Sales Agent License is posted.

Commission Order No. 22-0038

Date: AUGUST 11, 2022

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

(4) IT IS FURTHER ORDERED by the Commission that Quick C-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 Quick C-Store will be charged for the tickets sold on or before that date. Quick C-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. 22-0038

Date: AUGUST 11, 2022

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin,
Texas, on the 11TH day of AUGUST, 2022.

Entered this 11TH day of AUGUST, 2022.

ROBERT G. RIVERA, CHAIRMAN

CINDY FIELDS, COMMISSIONER

MARK A. FRANZ, COMMISSIONER

ERIK C. SAENZ, COMMISSIONER

JAMES H. C. STEEN, COMMISSIONER

Commission Order No. 22-0039

Date: AUGUST 11, 2022

Case No. 2022-226

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
SBA LIMITED COMPANY	§	
D/B/A GOOD TIME STOP	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 186524	§	LOTTERY COMMISSION

MEMORANDUM OF AGREEMENT AND CONSENT ORDER

The Texas Lottery Commission (Commission) and SBA Limited Company d/b/a Good Time Stop (Good Time Stop) 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. Good Time Stop holds Texas Lottery Ticket Sales Agent License No. 186524.
2. Ahsan Ali is a managing member of Good Time Stop, which is located at 1005 Linda Dr., Daingerfield, TX 75638.
3. On July 14, 2021, the Commission received a complaint that Good Time Stop charges a \$1.00 fee for purchases of Texas Lottery tickets with a debit card. The Commission initiated an investigation into this complaint.
4. On August 12, 2021, Allyah Brown, a Good Time Stop employee, admitted to a Commission investigator that the store charges a \$1.00 fee for debit card purchases of lottery tickets.
5. On August 25, 2021, Mr. Ali also admitted to a Commission investigator to accepting credit cards as payment for lottery tickets and to charging a \$1.00 fee for both credit and debit card purchases of lottery tickets.

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. Good Time Stop 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 §466.155(a) states, in pertinent part:

After a hearing, the director shall deny an application for a license or the commission shall suspend or revoke a license if the director or commission, as applicable, finds that the applicant or sales agent:

...
(5) has violated this chapter or a rule adopted under this chapter.

4. Tex. Gov't Code §466.302(a) states:

A person commits an offense if the person intentionally or knowingly sells a ticket at a price the person knows is greater than that fixed by the commission or by the lottery operator authorized to set that price.

5. 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.

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:

- ...
- (22) licensee intentionally or knowingly sells a ticket at a price the licensee knows is greater than the price set by the executive director;

(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.

...

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

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 Good Time Stop is subject to suspension or revocation pursuant to Tex. Gov't Code §466.155(a)(5), as a result of Good Time Stop's violation of Tex. Gov't Code §§ 466.302(a) and 466.3052(a) and 16 Tex. Admin. Code §§ 401.158(b)(22)–(23) and (27) and 401.366.

MEMORANDUM OF AGREEMENT

1. By signing this Memorandum of Agreement, Good Time Stop agrees to these terms, acknowledges understanding them, and waives all rights to procedural requirements for the entry of the Consent Order (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 the Order is signed by the Commission.

3. Good Time Stop agrees that, as a result of its violation of Tex. Gov't Code §§ 466.302(a) and 466.3052(a) and 16 Tex. Admin. Code §§ 401.158(b)(22)–(23) and (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 the Order is signed by

the Commission. During the period of suspension, Good Time Stop 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, Good Time Stop 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 Good Time Stop's Ticket Sales Agent License is posted.

5. Good Time Stop 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 Good Time Stop's Ticket Sales Agent License, for any further violations of the State Lottery Act or Commission rules.

6. Good Time Stop 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. Good Time Stop 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 Good Time Stop has failed to comply with the terms of the Memorandum of Agreement and Consent Order, disciplinary action shall be taken against Good Time Stop, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

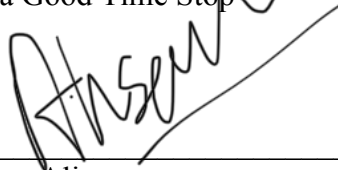
8. Good Time Stop agrees to provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins. It further agrees that these active tickets will settle on the date the suspension begins, and Good Time Stop will be charged for tickets sold on or before that date. Good Time Stop 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:

SBA Limited Company
d/b/a Good Time Stop

By:



05.30.22

Ahsan Ali
Managing Member

DATE

Texas Lottery Commission
Lottery Operations Division

By:



6/2/2022

Ryan S. Mindell
Director

DATE

Commission Order No. 22-0039

Date: AUGUST 11, 2022

Case No. 2022-226

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
SBA LIMITED COMPANY	§	
D/B/A GOOD TIME STOP	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 186524	§	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 SBA Limited Company d/b/a Good Time Stop (Good Time Stop), 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 (Order) is signed by the Commission. During the period of suspension, Good Time Stop 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, Good Time Stop 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 Good Time Stop's Texas Lottery Ticket Sales Agent License is posted.

Commission Order No. 22-0039

Date: AUGUST 11, 2022

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

(4) IT IS FURTHER ORDERED by the Commission that Good Time Stop 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 Good Time Stop will be charged for the tickets sold on or before that date. Good Time Stop 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. 22-0039

Date: AUGUST 11, 2022

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin, Texas, on the 11TH day of AUGUST, 2022.

Entered this 11TH day of AUGUST, 2022.

ROBERT G. RIVERA, CHAIRMAN

CINDY FIELDS, COMMISSIONER

MARK A. FRANZ, COMMISSIONER

ERIK C. SAENZ, COMMISSIONER

JAMES H. C. STEEN, COMMISSIONER

Commission Order No. 22-0040

Date: AUGUST 11, 2022

Case No. 2022-364

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
VARSHITH LLC	§	
D/B/A STAR FOOD MART	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 183067	§	LOTTERY COMMISSION

MEMORANDUM OF AGREEMENT AND CONSENT ORDER

The Texas Lottery Commission (Commission) and Varshith LLC d/b/a Star Food Mart (Star 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. Star Food Mart holds Texas Lottery Ticket Sales Agent License No. 183067.
2. Anand Kowdeed is the managing member of Star Food Mart, which is located at 17706 Kuykendahl Rd., Spring, TX 77379.
3. On June 17, 2021, at the Houston Claim Center, Mr. Kowdeed claimed a \$1,000 Texas Lottery scratch ticket prize. Based on an internal review, the Commission initiated an investigation into this claim.
4. On November 19, 2021, Mr. Kowdeed admitted to a Commission investigator that he purchased the ticket 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. Star 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 §466.155(a) states, in pertinent part:

After a hearing, the director shall deny an application for a license or the commission shall suspend or revoke a license if the director or commission, as applicable, finds that the applicant or sales agent:

...

(5) has violated this chapter or a rule adopted under this chapter.

4. 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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.

10. The Texas Lottery Ticket Sales Agent License of Star Food Mart is subject to suspension or revocation pursuant to Tex. Gov't Code §466.155(a)(5), as a result of Star Food Mart'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), (33), 401.360, and 401.366.

MEMORANDUM OF AGREEMENT

1. By signing this Memorandum of Agreement, Star 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. Star Food Mart 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), (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, Star 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, Star 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 Star Food Mart's Ticket Sales Agent License is posted.

5. Star 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 Star Food Mart's Ticket Sales Agent License, for any further violations of the State Lottery Act or Commission rules.

6. Star 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.

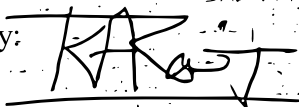
7. Star Food Mart agrees that if, after a formal hearing on the sole issue of compliance with the Memorandum of Agreement and Consent Order, it is found that Star Food Mart has failed to comply with the terms of the Memorandum of Agreement and Consent Order, disciplinary action shall be taken against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

8. Star 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 Star Food Mart will be charged for tickets sold on or before that date. Star 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:

Varshith LLC
d/b/a Star Food Mart

By:



7/6/2022

Anand Kowdeed
Managing Member.

DATE

Texas Lottery Commission
Lottery Operations Division

By:



7/7/2022

Ryan S. Mindell
Director

DATE

Commission Order No. 22-0040

Date: AUGUST 11, 2022

Case No. 2022-364

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
VARSHITH LLC	§	
D/B/A STAR FOOD MART	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 183067	§	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 Varshith LLC d/b/a Star Food Mart (Star Food Mart), 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, Star 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, Star 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 Star Food Mart's Texas Lottery Ticket Sales Agent License is posted.

Commission Order No. 22-0040

Date: AUGUST 11, 2022

(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 Star Food Mart has failed to comply with the terms of this Order, disciplinary action shall be taken against Star Food Mart, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

(4) IT IS FURTHER ORDERED by the Commission that Star 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 Star Food Mart will be charged for the tickets sold on or before that date. Star 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. 22-0040

Date: AUGUST 11, 2022

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin,
Texas, on the 11TH day of AUGUST, 2022.

Entered this 11TH day of AUGUST, 2022.

ROBERT G. RIVERA, CHAIRMAN

CINDY FIELDS, COMMISSIONER

MARK A. FRANZ, COMMISSIONER

ERIK C. SAENZ, COMMISSIONER

JAMES H. C. STEEN, COMMISSIONER

Commission Order No. 22-0041

Date: AUGUST 11, 2022

Case No. 2022-366

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
TX XPRESS LLC	§	
D/B/A FAST STOP TEXAS EXPRESS #3	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 183160	§	LOTTERY COMMISSION

MEMORANDUM OF AGREEMENT AND CONSENT ORDER

The Texas Lottery Commission (Commission) and TX Xpress LLC d/b/a Fast Stop Texas Express #3 (Fast Stop) 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. Fast Stop holds Texas Lottery Ticket Sales Agent License No. 183160.
2. Raj Pandey is the owner of Fast Stop, which is located at 1500 E. 4th St., Big Spring, TX 79720.
3. On November 30, 2021, Bijaya Tripathi, a Fast Stop employee, presented to the Abilene Claim Center a Texas Lottery scratch ticket with a \$1,000 prize for validation. Based on an internal review, the Commission initiated an investigation into this claim.
4. On January 18, 2022, Mr. Tripathi admitted to a Commission investigator that he purchased the scratch ticket 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. Fast Stop 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 §466.155(a) states, in pertinent part:

After a hearing, the director shall deny an application for a license or the commission shall suspend or revoke a license if the director or commission, as applicable, finds that the applicant or sales agent:

...

(5) has violated this chapter or a rule adopted under this chapter.

4. 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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.

10. 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).

11. 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.).

12. 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.

13. The Texas Lottery Ticket Sales Agent License of Fast Stop is subject to suspension or revocation pursuant to Tex. Gov't Code §466.155(a)(5), as a result of Fast Stop'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, Fast Stop agrees to these terms, acknowledges understanding them, and waives all rights to procedural requirements for the entry of the Consent Order (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 the Order is signed by the Commission.

3. Fast Stop 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 thirty (30) consecutive days. The suspension period will begin within seven (7) days from the date the Order is signed by the Commission. During the period of suspension, Fast Stop 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, Fast Stop 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 Fast Stop's Ticket Sales Agent License is posted.

5. Fast Stop 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 Fast Stop's Ticket Sales Agent License, for any further violations of the State Lottery Act or Commission rules.

6. Fast Stop 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. Fast Stop 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 Fast Stop has failed to comply with the terms of the Memorandum of Agreement and Consent Order, disciplinary action shall be taken against Fast Stop, up to and including revocation of its Texas Lottery Ticket Sales Agent License.

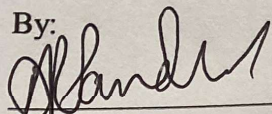
8. Fast Stop agrees to provide all active and settled tickets to the Commission or to an IGT representative on or before the date the suspension begins. It further agrees that these active tickets will settle on the date the suspension begins, and Fast Stop will be charged for tickets sold on or before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

TX Xpress LLC
d/b/a Fast Stop Texas Express #3

Texas Lottery Commission
Lottery Operations Division

By:

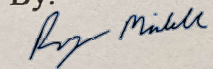


7-1-2022

Raj Pandey
Owner

DATE

By:



7/5/2022

Ryan S. Mindell
Director

DATE

Commission Order No. 22-0041

Date: AUGUST 11, 2022

Case No. 2022-366

IN THE MATTER OF	§	BEFORE THE TEXAS
	§	
TX XPRESS LLC	§	
D/B/A FAST STOP TEXAS EXPRESS #3	§	
	§	
TEXAS LOTTERY TICKET SALES	§	
AGENT LICENSE NO. 183160	§	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 TX Xpress LLC d/b/a Fast Stop Texas Express #3 (Fast Stop), 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 (Order) is signed by the Commission. During the period of suspension, Fast Stop 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, Fast Stop 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 Fast Stop's Texas Lottery Ticket Sales Agent License is posted.

Commission Order No. 22-0041

Date: AUGUST 11, 2022

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

(4) IT IS FURTHER ORDERED by the Commission that Fast Stop 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 Fast Stop will be charged for the tickets sold on or before that date. Fast Stop 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. 22-0041

Date: AUGUST 11, 2022

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin, Texas, on the 11TH day of AUGUST, 2022.

Entered this 11TH day of AUGUST, 2022.

ROBERT G. RIVERA, CHAIRMAN

CINDY FIELDS, COMMISSIONER

MARK A. FRANZ, COMMISSIONER

ERIK C. SAENZ, COMMISSIONER

JAMES H. C. STEEN, COMMISSIONER