

TRANSCRIPT OF PROCEEDINGS

BEFORE THE

TEXAS LOTTERY COMMISSION

AUSTIN, TEXAS

COMMISSION MEETING

MARCH 4, 2025

10:00 a.m.

(The start of the meeting was delayed. A quorum convened
at 10:40 a.m., recessed,
and reconvened at 12:55 p.m.)

AT

STEPHEN F. AUSTIN STATE OFFICE BUILDING
1700 Congress Avenue
CONFERENCE ROOM 170
Austin, Texas 78701

APPEARANCES

CHAIRMAN:	Robert G. Rivera
COMMISSIONERS:	Cindy Lyons Fields Mark A. Franz James H. C. Steen
GENERAL COUNSEL:	Robert F. Biard
EXECUTIVE DIRECTOR:	Ryan Mindell
GENERAL COUNSEL, CHIEF LEGAL OFFICER, LOTTO.COM:	Rob Porter
LOTTOREPORT.COM:	Dawn Nettles
CHRISTIAN LIFE COMMISSION OF THE BAPTIST GENERAL CONVENTION OF TEXAS:	Rob Kohler

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	Texas Pledge: "Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."	
II.	Consideration of and possible discussion and/or action on the Commission's policy regarding the prohibition on licensed lottery retailers working in concert with lottery ticket courier services, including retailer education initiatives, enforcement activities, and retailer license revocation.	4
III.	Consideration of and possible discussion and/or action, including proposal, on amendments to 16 TAC §§ 401.158 (Suspension or Revocation of License), 401.160 (Standard Penalty Chart), and 401.355 (Restricted Sales).	17
IV.	Public comment.	19
V.	The Commission may meet in Executive Session:	20
	A. To deliberate personnel matters, including the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the Executive Director and/or Charitable Bingo Operations Director, pursuant to §551.074 of the Texas Government Code.	
	B. To deliberate the duties of the General Counsel pursuant to §551.074 of the Texas Government Code.	
	C. To receive legal advice regarding pending or contemplated litigation or settlement offers, or other legal advice, pursuant to §551.071(1) and (2) of the Texas Government Code, including but not limited to legal advice regarding the following items: <u>Pending litigation regarding: Fun 5's Scratch Ticket Game #1592, including Travis County District Court Docket No. D-1-GN-14-005114 (Steele, et al. v. GTECH Corp.); Harris County District Court 333rd Judicial District Docket No. 2025-10513 (Nettles, et al. v. Rook TX LP, et al.)</u> Legal advice regarding Texas Government Code Chapters 466 (State Lottery Act) and 467 (Texas Lottery Commission), the Bingo Enabling Act, the Open Meetings Act, the Public Information Act, the Administrative Procedure Act, employment and personnel law, procurement and contract law, evidentiary and procedural law, ethics laws, and general government law. <u>Legal advice regarding any item on this open meeting agenda.</u>	
VI.	Return to open session for further deliberation and possible action on any matter posted for discussion in Executive Session. Any matter posted for Executive Session also may be the subject of discussion and/or action in open session.	21
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PROCEEDINGS

TUESDAY, MARCH 4, 2025 (10:00 a.m.)

(The start of the meeting was delayed.)

AGENDA ITEM I.

COMMISSIONER FRANZ: Thank you everyone for your patience. It is 10:40, and I'm going to call this meeting to order, and we will immediately go to recess till 1:00 p.m. We've had some flight delays and some flight cancellations and all, so we'll meet back here at 1:00 p.m. Thank you. We're recessed.

(Meeting recessed.)

CHAIRMAN RIVERA: Good afternoon, everyone. It is 12:55. We are back from our recess. I would like to call the Texas Lottery meeting to order. Today is March the 4th. Again, it is 12:55. We will start with the Pledge of Allegiance to the U.S. and State flags.

(Pledges recited)

AGENDA ITEM II.

CHAIRMAN RIVERA: Okay. The first item for discussion is the Commission's policy regarding the prohibition of lottery ticket courier services. Ryan, this is your item.

MR. MINDELL: Thank you, Chairman and Commissioners. For the record, my name is Ryan Mindell, Executive Director. As you know, on February 24, 2025, I issued a policy statement on lottery ticket courier services. And before Bob introduces the rules, and you have a chance to vote on those, I wanted to give a little bit of background and context, for the record, how we got to this point. So obviously, in last legislative session we followed, as an agency, very closely Senate Bill

1 1820 that would've prohibited, clearly, lottery ticket courier services.
2 That bill ultimately was passed from the House, I mean, from the Senate,
3 and sent to the House where it did not pass. There was then a budget
4 rider added to the budget bill that directed the executive director to
5 take actions to prohibit lottery ticket courier services. When that
6 budget bill was passed by both Houses, the Governor issued a signing
7 statement stating that that rider was not a valid authorization of law.

8 That rider then was presented before this board in August of
9 2023. And I'll just quote, as staff sought direction on what to do with
10 the courier issue, this is a quote from you, Chairman, on August 17,
11 2023, "The agency's mindful and respectful of the policy direction that
12 was provided by the Legislature, also respectful of the related
13 statements Governor Abbott provided in his proclamation, and the
14 Commission directs the executive director to take no action, to highlight
15 the lottery courier issue during the agency's Sunset review."

16 Ultimately, I became executive director in April of '24 after
17 working under that direction to provide this issue as an item for Sunset.
18 We worked with Sunset very closely throughout the first and second review
19 process and provided them a substantial amount of information related
20 to couriers. Ultimately, in both of those Sunset reports, there was no
21 recommendation provided by Sunset. And so, when I became executive
22 director, the direction continued from the Chairman to take no action
23 on the lottery ticket courier issue and, again, raise this issue for the
24 Legislature.

25 Under that direction I formed a working group to study the
26 lottery courier issue. We ultimately developed two proposals: one,

1 potentially, if the legislative direction was given to ban couriers, and
2 one to regulate them. Again, there's obviously a number of potential
3 harms that have been identified that lottery ticket courier services
4 could potentially facilitate. And so, we believe that both the proposals
5 that the agency working group provided, while not taking the action
6 without that legislative direction, would have addressed the issue.

7 Going into this legislative session, we obviously had a couple
8 of hearings already. And really it was at the Senate Finance Hearing a
9 few weeks ago where it was made clear to the board members in attendance
10 that day and to me that the legislative direction was to take action on
11 this issue. And so, working with the Chairman, I ultimately developed
12 and identified this policy statement that represents the idea that, while
13 we still do not regulate the courier entity and we do not have the
14 authority to regulate the courier entity, we can take action against
15 licensees for actions that potentially endanger the integrity, security,
16 honesty, or fairness of the lottery. And while, at one point in time,
17 this board and the staff did not believe that was true, based on the
18 continued conversations over the past months and weeks, and in addition
19 to the findings from the investigations, for instance, of the \$84-million
20 recent Lotto Texas jackpot win, we believe that there was enough there
21 to say that we need to take action with the lottery retailers over this
22 issue.

23 So, working with the Chairman, I developed this policy
24 statement, we issued it, and then we're here today to bring the rule
25 proposal to effectuate that policy and move forward on that issue. So,
26 that's all I have and happy to answer any questions.

1 CHAIRMAN RIVERA: Commissioners, any discussion? Okay, we do
2 have, I'll hand it over to Bob. So, since there is no discussion, next
3 item is lottery rule proposal. So, Bob, your item.

4 MR. BIARD: We have a public comment on that item.

5 CHAIRMAN RIVERA: Okay. On?

6 MR. BIARD: Item two.

7 CHAIRMAN RIVERA: Okay. Okay. We do have --

8 MR. BIARD: -- Rob Kohler.

9 CHAIRMAN RIVERA: On this item?

10 MR. BIARD: Both on --yeah -- both on item two.

11 CHAIRMAN RIVERA: Okay. So, we have two speakers that wish to
12 speak on this item. First is Robert Kohler.

13 MR. KOHLER: Thank you. My name's Rob Kohler. I'm here
14 representing the Christian Life Commission of the Baptist General
15 Convention of Texas.

16 Commissioners, thank y'all. I know this hadn't been easy.
17 Ryan, thank you. You were put in a situation that I don't think any
18 person could have defended other than somehow or another this defending
19 the order by purchase. So, thank you for making this decision.

20 What we would ask for y'all to consider is to putting the
21 playslip definition back, like it was before 2015. I can read it into
22 the, for the record: "Playslip, an optical readable card issued by the
23 Commission, used by the players of the particular draw game to select
24 plays and to elect to participate in the multiplier feature." The
25 playslip for each one of those draw games was somewhat different, for
26 particular draw games, but the most important thing that it is paper.

1 Take the electronic means out of it. You'll have no more problems with
2 bulk code, bulk buying, anything like that. So please, you've taken the
3 right step, but please address the playslip so that it's like it was
4 before it was changed. I'll be happy to answer any questions.

5 CHAIRMAN RIVERA: Commissioners, any questions?

6 COMMISSIONER FRANZ: No. My understanding -- this is the rule
7 proposal, there'll be a comment period and so we'll look forward to all
8 of those and we'll take those into account.

9 MR. KOHLER: Yes sir. Thank you.

10 CHAIRMAN RIVERA: Okay. Any others? Thank you, sir.

11 MR. KOHLER: Thanks.

12 CHAIRMAN RIVERA: Okay. Next is Rob Porter.

13 MR. PORTER: Commission, thank you for the time to talk to you
14 today. My name's Rob Porter, I'm the Chief Legal Officer of Lotto.com
15 and Player's Cafe, and we are very concerned about the Lottery's abrupt
16 policy change and proposed rules to prohibit lottery courier services
17 in Texas. I saw many of you testify in front of the Senate Affairs
18 Committee, as I did. I'm not going to rehash what was covered at that
19 hearing. What I want to do today is, very briefly, discuss what you
20 haven't heard, what you didn't hear from the presentation today, what
21 you haven't heard about how lottery courier operations have been
22 appropriately operated since 2018 in this state; how Texas Lottery has
23 assisted lottery courier operations in the state for years; how
24 responsible couriers have operated with integrity, kept Lottery
25 officials informed at all steps of the process; and how a regulated
26 courier system would ultimately benefit the State.

1 And I ask, just briefly, with an ask from you. I ask you to
2 keep an open mind, ask questions -- if you have any questions, I'd be
3 happy to answer them, and make sure you have the facts before you act.
4 And I do appreciate this opportunity because this and the opportunity
5 to testify in the Senate are really the only chances we've had to speak
6 on this. We weren't a part or invited to be involved in the working
7 group on couriers that Director Mindell mentioned.

8 So, I ask that you listen to the materials that we give before
9 you get the Commission out ahead of the ongoing legislative debate on
10 whether couriers should be regulated or banned, because there's bills
11 pending in the Legislature for both. Before you make rules or policy
12 that harm responsible private businesses that have invested millions of
13 dollars in the State, before you take action and pass rules that
14 jeopardize the jobs of dozens of Texans, and before you potentially cut
15 off an avenue to as much as 5% of lottery sales on an annual basis.

16 So, you've heard reference, even with the prior speaker, about
17 the elephant in the room that the circumstance in the attempt to try and
18 buy out a jackpot in 2023. You've heard, in our testimony elsewhere and
19 others that Lotto.com was not involved in that. We had no role in that.
20 No responsible regulated courier in the state had any role in that. As
21 you know, those tickets were purchased at retail. We weren't involved.
22 We certainly were aware of it; we had heard of it. It would be difficult
23 not to in a circumstance where the number of machines being moved is
24 large and the lottery universe is small. We know that there's ongoing
25 investigations on that. We're happy to have our employees relate what
26 they know to the people that are investigating. But it's clear, it was

1 clear at the time and it's clear now, Lotto.com doesn't support efforts
2 to try and buy out jackpots and it's not a reason for this Commission
3 to pass rules killing courier.

4 What you've heard, in brief, is some concerns from the
5 director expressed today and expressed at the hearing that regulated
6 couriers may somehow create harm, may create -- the director testified
7 at the Senate Affairs Hearing that if he ever represented the couriers
8 were allowed by current rules, he misspoke; it was never his
9 understanding. He believed there was a regulatory gap occurring
10 downstream of lottery retailers. What you didn't hear is at all points
11 between 2018 through a few weeks ago -- Texas Lottery leadership was
12 well aware of courier activities. They authorized the issuance of
13 terminals and equipment necessary for responsible couriers to operate.
14 They granted authority for couriers in the summer of 2022 to use official
15 Texas Lottery logo and IP on courier websites. They directed software
16 changes to terminals to remove terminal prompts and make courier
17 transactions work better. You don't do this with companies that are
18 operating in a regulatory gap. You don't do this if the responsible
19 couriers are affecting the security and integrity and honesty of the
20 Lottery. I'm not saying there's anything that's inappropriate of any of
21 those things. It's actually entirely appropriate for a regulator to be
22 involved and aware of how the orders are being processed in their state
23 and that's what the Texas Lottery official were, at all points.

24 You've heard some testimony at the Senate Hearing about the
25 delivery of digital scratch being very concerning and that they were
26 researching it. What you didn't hear at the Senate Hearing was Texas

1 Lottery leadership, including those that testified, had demonstrations
2 of that product in November '22 before it was ever launched. They
3 actually had good suggestions on ensuring and updating the integrity of
4 the product, which we took when we created that product that we
5 ultimately launched in Texas and we operate successfully in eight other
6 states. This is months before it was ultimately ever launched. This
7 product has been live for over two years. We had to get the equipment
8 from the Lottery to do it. We've not heard any concerns from the Lottery
9 about it. Not when the Lottery did its own inspections of our operations
10 in the fall of 2023, not at any point thereafter until the hearings that
11 you and I have both been involved in.

12 Again, this is not the sort of thing that Lottery officials
13 would do for companies involved in something that affects the security
14 and integrity and the honesty of the Lottery. And the reason for that
15 is we don't. We are responsible regulated couriers. We follow the law.
16 We always have. We always will. I won't get into in detail the concerns
17 that I have about his testimony at hearing to Senator Middleton stating
18 that investigations into retailers affiliated with couriers were
19 initiated to, quote, "see if we could find violations", end quote.
20 Because that gives me real concerns about due process for the licensee.
21 What I will say is you heard at that hearing that Texas Lottery doesn't
22 routinely do this for the 15,000 other retailers that it has. What you
23 didn't hear is the Texas Lottery routinely had interactions with those
24 regulated couriers, including operations and tours of our facilities in
25 2023 and beyond. And if they had concerns at those times, we certainly
26 would've heard about them then or even in the years following and not

1 three years later. You've heard some reference that there were concerns
2 about the use of QR codes, these things, by couriers. What you didn't
3 hear at the hearing is these are available on the Texas Lottery app.
4 This is how I generated this image that I'm standing here in front of
5 you demonstrating. It is official. It's put out by the Lottery. It was
6 generated and used by couriers with the assistance and the technology
7 of the Lottery. And we do it and have done it consistently for years.
8 Again, not saying that the Texas Lottery officials have done anything
9 wrong in this process. To the contrary, I think they've actually been
10 more active and proactive than anyone in this process has given them
11 credit for. But the same is true for the regulated couriers. We've been
12 as proactive as we possibly could be with the Lottery to make certain
13 that at every step of the way they understand that what we're doing is
14 consistent with the law and that we're trying to do things the right
15 way.

16 Ultimately, I struggle with how Texas ends up being different
17 than the 18 other states that couriers regulate -- operate in a regulated
18 fashion, currently. The laws aren't significantly different. The
19 responsible couriers like Lotto.com have the same security. We have the
20 same technological protections. We have the same responsible play
21 guidelines that we use in other states. We keep the Lottery informed
22 here just as we do everywhere else. And we're going to do it as long as
23 we're allowed. We would just say if there's concerns about couriers being
24 appropriate or not appropriate for the State of Texas, we would ask that
25 this Commission not get ahead of that policy discussion. Allow the
26 Legislature and the administration to ultimately make that decision. It

1 will happen soon. And whatever that decision is, we can all move forward.
2 So, I am happy to answer any questions, but we would ask that these
3 rules and this policy not move forward at this time.

4 CHAIRMAN RIVERA: Commissioners, any questions? Thank you,
5 sir.

6 MR. PORTER: Thank you.

7 CHAIRMAN RIVERA: Okay. Next, Dawn Nettles, if you would like
8 to speak.

9 MS. NETTLES: Good afternoon. How are y'all today? I have
10 several issues. Can I comment twice after the meeting on another issue?

11 Or do you want me to cover what I have to say now?

12 CHAIRMAN RIVERA: Cover what you'd like to say would be fine,
13 but whatever you would like.

14 MS. NETTLES: Okay, first --

15 CHAIRMAN RIVERA: Whatever you'd like to do. If you want to
16 come back and speak again, you're welcome to do that.

17 MS. NETTLES: Okay. First of all, let me address the so-called
18 couriers.

19 CHAIRMAN RIVERA: Okay.

20 MS. NETTLES: First of all, I know everybody calls them
21 couriers, but they're not couriers because they do not deliver any
22 tickets. They don't deliver a product. And I'm in favor of banning them.
23 You've got to ban them. They charge more than a dollar for the ticket
24 because they have a service fee for delivering, which they don't do. And
25 what the couriers are selling today is -- they're not really Texas, all
26 Texas players. And here's why, and here's the proof. You can put a VPN

1 on your telephone, and there's roughly over 100 companies or apps that
2 have VPN -- that stands for Virtual Private Network. And so, you can
3 live in New York, but put this on your telephone and -- that you live
4 in Texas and all that -- and when you go to buy a Texas ticket, you get
5 the ticket, they think you live in Texas, but you don't. Texas Lottery
6 sales are not as great as you think they are from real Texans. So, I'm
7 really opposed to it.

8 I have -- he mentioned there's 18 states that he's in. What
9 about the other 40? They are barred in California, cannot operate in
10 California. I have some news articles, three news articles for you and
11 an attorney general opinion with regard to the couriers. And they are
12 barred from California. They cannot operate there.

13 So, I beg you to get rid of the apps. It's not fair and it's
14 not right and it leaves too much room for bad folks. So, I can give you,
15 if you want the California, the few little bit I have on California, I
16 will. Mido-Lotto is another app and they put out a notice to their
17 players that they won't be selling in Texas, but they also said we will
18 have some exciting games that Texans can play. And I'm really curious
19 to know what that is, and I have you a copy that was sent to me on Mido-
20 Lotto.

21 So, I beg you not, you've got to get rid of the apps. It's
22 not fair because they really are coming from other states. And I don't
23 -- I'm not opposed if somebody from California flies to Texas and they
24 walk in a store and buy a ticket, great. And that's fine. Even if they
25 win, I don't care. But I do care when Texas has a big jackpot, and the

1 rest of the country is trying to buy Lotto Texas tickets or whatever
2 game it is and taking their chance at it. So, it's wrong.

3 Okay, I'm going to go on and cover the other issue, and I
4 have here for you all a set for each of you and I need to give it to
5 you. May I walk up there?

6 CHAIRMAN RIVERA: Please.

7 MS. NETTLES: Okay. Now on the bottom of your set, you're going
8 to see first something on Powerball. Then you're going to see something
9 on Mega Millions. And then below that starts the California story, and
10 Mido-Lotto is last, but there's also the attorney general. So, I can
11 walk up there and give these to you.

12 CHAIRMAN RIVERA: Sure.

13 MS. NETTLES: Okay. I promise I won't hit you just yet. And
14 I'm joking. I'll give you one in just a second.

15 CHAIRMAN RIVERA: Thank you.

16 MS. NETTLES: I am not going to go through all these papers.
17 I just have you, what I want to cover with you is the Powerball, the one
18 on top. What this is, on the Powerball, is at night after the Powerball
19 draws and the Mega Millions, by about 10:30 or 10:45, through the lottery
20 terminals, you obtain a payout slip. I call it a payout slip. It tells
21 you how many winners there are. And if you'll look at the first page of
22 this Powerball, on the left side is a ticket and it is stamped. It shows
23 you, both of those, where it says all winners, it's really not, and
24 that's okay. And then below that it says Texas winners. And then --
25 that's at 10:30 at night -- and then around midnight or 12:30, it changes
26 to where it shows all states, how many winners in all states and how

1 many Texas winners. That's what this is. And this is 100% accurate. Okay,
2 no problem with it.

3 The reason I show you that is because next look at the Mega
4 Millions. Since November 12, 2024, the lottery terminals are putting out
5 erroneous information. None of it is true with regard to the number of
6 winners. And what I have here is showing you November 12th, which all
7 this information's wrong, but you can see what was printed after the
8 draw and then at midnight or 12:30 or the next day, how the numbers
9 changed. It's supposed to be all winners on top, just Texas winners on
10 the bottom, on the right side. The left side is supposed to be Texas
11 winners only. Now what I've done here, I didn't do it till last minute,
12 but behind this first page you'll see, you can compare, I show you what's
13 posted on the Texas Lottery website, and you can lift this up and compare
14 it to how many winners. And it's been wrong. I've not understood why
15 it's wrong. I don't know why they've done it this way. It didn't used
16 to be. You want to ask me a question?

17 CHAIRMAN RIVERA: Well, no, just to let you know that we will
18 have some folks take a look at this and we will have an in-person or
19 phone or video, whatever you would like, follow-up. But, obviously, this
20 is important and so we will take the time to make sure that your questions
21 are answered.

22 MS. NETTLES: Okay.

23 CHAIRMAN RIVERA: So --

24 MS. NETTLES: Last page --

25 CHAIRMAN RIVERA: Yes.

1 MS. NETTLES: Let me just say this. The last page of this group
2 is Friday night's draw, and this is what it says. I've actually got it
3 on the same page because I didn't get it until I was on my way to Austin
4 yesterday. But you can see how bad this is. It is grossly inflated. And
5 I don't understand how it has been this way, why it's this way, and we
6 need to change it because players are misled into thinking that there's
7 this many winners. So, I hope you will fix it and I thank you very much.

8 CHAIRMAN RIVERA: Commissioners, any questions, comments? We
9 are very grateful for your diligence and just detailed work. And again,
10 we will communicate with you with the appropriate answers.

11 MS. NETTLES: Because I usually don't get answers.

12 CHAIRMAN RIVERA: Well, you will on this.

13 MS. NETTLES: I have 20 years' experience with no answers. So,
14 I'd like for it to be fixed and players not misled, and I don't know
15 whose mistake it is, whether it's the Lottery's or GTECH's --

16 CHAIRMAN RIVERA: Okay.

17 MS. NETTLES: -- but somebody's got some big mistakes. Thank
18 you.

19 CHAIRMAN RIVERA: We will find an answer. Okay, thank you. Any
20 other public comments on this item? Okay. Bob, do you have any further
21 comments? So, no further discussion.

22 AGENDA ITEM III.

23 CHAIRMAN RIVERA: So, now lottery rule proposal. Bob, your
24 item.

25 MR. BIARD: Thank you. Thank you, Chairman, Commissioners. Bob
26 Biard, General Counsel. This item is a draft rule proposal for amendments

1 to rules 401.158, Suspension or Revocation of License, 401.160, Standard
2 Penalty Chart, and 401.355, Restricted Sales. The purpose of the proposed
3 amendments is to promote and ensure integrity, security, honesty, and
4 fairness in the operation and administration of the Texas Lottery by
5 prohibiting the use of lottery ticket courier services that, by any
6 remote means, such as telephone, Internet application, or mobile
7 application, accept and fulfill, for fee or compensation, orders to
8 purchase lottery tickets on behalf of another person not present to
9 effect an in-person sale. The Texas Lottery Commission intends to
10 exercise this authority through administrative enforcement proceedings
11 to revoke the lottery ticket sales agent license of a retailer that works
12 in concert with the courier, whether under a common ownership arrangement
13 or otherwise.

14 The Commission will hold a public hearing to receive public
15 comments on this proposal at 10:00 a.m. on April 3rd at 1801 Congress
16 Avenue, the George H.W. Bush building, fourth floor, room 4.300.

17 Staff recommends the Commission initiate the rulemaking
18 process by publishing this proposal in the Texas Register in order to
19 receive public comments for a period of 30 days. Happy to answer any
20 questions.

21 CHAIRMAN RIVERA: Okay, Commissioners, any discussion? So, is
22 there a motion to approve the rule proposal for public comment?

23 COMMISSIONER STEEN: So, moved.

24 CHAIRMAN RIVERA: Is there a second?

25 COMMISSIONER FIELDS: Second.

1 CHAIRMAN RIVERA: Okay, we have a second. All in favor, say
2 "aye".

3 (Chorus of "Ayes")

4 CHAIRMAN RIVERA: Anyone opposed?

5 COMMISSIONER FRANZ: No.

6 CHAIRMAN RIVERA: Okay.

7 AGENDA ITEM IV.

8 CHAIRMAN RIVERA: Next item is executive session. So --

9 MR. BIARD: Excuse me.

10 CHAIRMAN RIVERA: -- I move the Texas Lottery -- go ahead,
11 Bob.

12 MR. BIARD: We have another item for public comment. I don't
13 know, for this regular public comment session. I don't know if you want
14 to do that now or later.

15 CHAIRMAN RIVERA: We can do it at the end of the meeting.
16 Unless you would like to do it now, that's fine. Okay. We do have a
17 public comment. Rob Kohler.

18 MR. KOHLER: Thank you again, Commissioners. My name's Rob
19 Kohler. I'm here representing the Christian Life Commission of the
20 Baptist General Convention of Texas. Commissioners, the public should
21 not be misled. Lottery couriers are not a regulated industry in this
22 state. They are an unregulated industry in this state. You passed no
23 rules that recognize them by name. So, just to be clear, the owners of
24 these companies have never had background checks. They've never been
25 told how to operate officially. We think that's real important that
26 that should be recognized. Thank you.

CHAIRMAN RIVERA: Okay. Thank you. Any other public comment?

MR. BIARD: No, sir.

CHAIRMAN RIVERA: Is that a yes?

MR. BIARD: No, sir.

CHAIRMAN RIVERA: Yes, please.

MR. PORTER: Thank you. I appreciate it. Just briefly, responsible couriers follow the law. Our systems are designed to track the VPNs and to prevent people from coming in from out of state. Our companies, including me and our executives, have all gone through background checks and have gone through the proper -- the hoops required in every jurisdiction we operate. What we've asked for, for years now, is for regulation and guidance from the Lottery. We'll continue to pursue that in front of the Legislature.

CHAIRMAN RIVERA: Can you state your name please for the record?

MR. PORTER: Certainly. My apologies. I didn't state it before since I testified before. Again, Rob Porter, General Counsel, Chief Legal Officer of Lotto.com. Thank you.

CHAIRMAN RIVERA: Thank you so much. Just for the record. Thank you, sir. Any other public discussion?

AGENDA ITEM V.

CHAIRMAN RIVERA: Okay. I move that the Texas Lottery Commission go into executive session to deliberate personnel matters under Government Code section 551.074 and to receive legal advice under Government Code section 551.071. Is there a second?

COMMISSIONER FRANZ: Second.

1 CHAIRMAN RIVERA: Okay. All in favor say "aye".

2 (Chorus of "Ayes")

3 CHAIRMAN RIVERA: Okay, we will reconvene. The Texas Lottery
4 Commission will go into executive session at 1:26 p.m. on March 4, 2025.

5 AGENDA ITEM VI.

6 CHAIRMAN RIVERA: It is 2:33. The Texas Lottery Commission is
7 out of executive session, again at 2:33. There is no action taken. So,
8 with that Commissioners, is there any other business?

9 AGENDA ITEM VII.

10 COMMISSIONER FRANZ: I move to adjourn.

11 CHAIRMAN RIVERA: Okay, is there a second?

12 COMMISSIONER FIELDS: Second.

13 CHAIRMAN RIVERA: Okay, we are adjourned.

14 (Meeting concluded)

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