

TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS LOTTERY COMMISSION
AUSTIN, TEXAS
COMMISSION MEETING

APRIL 29, 2025

10:00 a.m.

AT

GEORGE H. W. BUSH BUILDING
1801 Congress Avenue
Austin, Texas 78701

Transcript prepared by Rev.com and Commission staff from an audiovisual recording.

APPEARANCES

CHAIRMAN:	Robert G. Rivera
COMMISSIONERS:	Cindy Lyons Fields Mark A. Franz James H. C. Steen
GENERAL COUNSEL:	Robert F. Biard
ACTING DEPUTY EXECUTIVE DIRECTOR:	Sergio Rey
CHARITABLE BINGO OPERATIONS DIRECTOR:	LaDonna Castañuela
FINANCIAL OPERATIONS MANAGER:	Annika Guarnero
MCCONNELL & JONES LLP:	Darlene Brown
BINGO ADVISORY COMMITTEE CHAIRMAN:	William "Trace" Smith III
ADMINISTRATION DIRECTOR:	Angela Zgabay-Zgarba
GOVERNMENTAL AFFAIRS DIRECTOR:	Nelda Treviño
HUB AND COMPLIANCE COORDINATOR:	Eric Williams

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- H. Docket No. 362-25-09033 - H and J Food Mart Inc.
- I. Docket No. 362-25-09800 - Cuyanosa Food Center
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- K. Docket No. 362-25-10896 - Time Express
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XIII. Public comment.22

XIV. The Commission may meet in Executive Session:22

- 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:

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.); and U.S. District Court for the

Western District of Texas Docket No. 1:24-cv-01010 (American Sustainable Business Council v. Hegar.)

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.

Legal advice regarding any item on this open meeting agenda.

- XV. 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.22
- XVI. Adjournment.23

PROCEEDINGS

TUESDAY, APRIL 29, 2025 (10:00 a.m.)

AGENDA ITEM I.

CHAIRMAN RIVERA: Good morning, everyone. I'd like to call this meeting of the Texas Lottery Commission to order. Today is April the 29th. It is 10:00 a.m. We have a quorum. Commissioner Franz should be here shortly. We will start with the Pledge of Allegiance to the U.S. and Texas flags.

(Pledges recited. Commissioner Franz arrived.)

AGENDA ITEM II.

CHAIRMAN RIVERA: Okay. First item is a report from the Bingo Advisory Committee. Trace Smith, this is your item.

MR. SMITH: Morning, Chairman Rivera, Bingo Commissioner Fields, and Commissioners. Yesterday, the BAC met to discuss several items of which the two main items were bills in the Legislature that would affect bingo and a recent bingo advisory opinion request. The BAC decided to form a subcommittee to gather facts for the public comment period on how the request would affect the charitable bingo industry.

The subcommittee will have its findings into the staff no later than the 20th of May. Also, I would like to thank Chairman Rivera, Bingo Commissioner Fields, and the other Commissioners for helping the charitable bingo industry, the BAC, and the charities that conduct bingo in the State of Texas. We would also like to thank LaDonna and Tyler and the rest of the staff for the work they have put into not only the industry, but the countless hours for the BAC. That concludes my report.

CHAIRMAN RIVERA: Commissioners, any questions?

1 COMMISSIONER FIELDS: I have a quick comment. I'd like to thank
2 you guys for your service to your industry and for being advisors to the
3 Commission and you especially for your excellent continuing leadership
4 of the BAC.

5 MR. SMITH: Thank you.

6 COMMISSIONER FIELDS: And taking the time to testify before
7 various legislative bodies. I hope it helps charitable bingo in Texas.

8 MR. SMITH: I think it will.

9 CHAIRMAN RIVERA: Trace, thank you so much.

10 MR. SMITH: Thank you.

11 AGENDA ITEM III.

12 CHAIRMAN RIVERA: Thank you. Okay, next item is adoption of
13 the courier rule changes. Bob Biard, you're up.

14 MR. REY: Mr. Chairman, if I may.

15 CHAIRMAN RIVERA: Sure.

16 MR. REY: Thank you, Chairman. For the record, Sergio Rey,
17 Acting Deputy Executive Director. Before we begin, I'd like to provide
18 a simplified chronology of events leading to this rule amendment before
19 the Commission board.

20 On February 24th, the executive director at the time issued
21 a policy statement accounting that lottery ticket courier services were
22 not allowed under Texas law and that the agency will move forward with
23 proposed rule amendments to align with state law and legislative efforts
24 to address the serious concerns from players and state leadership.

25 Prior to and following the policy statement, self-reported
26 retailers were - with affiliation with lottery courier services had

1 compliance inspections from our Enforcement Division. Any violations
2 from existing administrative rule have been followed up on through
3 administrative procedures.

4 Now, following the Commission meeting on March the 4th, a
5 subsequent 30-day public comment period with a hearing on April 3rd,
6 today we bring forth the final rule amendment for your consideration and
7 yes, Bob Biard, our general counsel, will now present that final rule
8 amendment.

9 MR. BIARD: Thank you, Sergio. Commissioners, I'm Bob Biard,
10 General Counsel. Staff recommends adoption of the amendments to three
11 lottery rules: Rules 401.158, 401.160, and 401.355, that would require
12 the Commission to revoke the lottery ticket sales agent license of a
13 retailer that works in concert with the courier, whether under a common
14 ownership arrangement or otherwise. The Commission approved publication
15 of the amendments at the March 4th meeting.

16 Two entities provided written comments to the proposal and
17 those same commenters and one other provided oral comments at the public
18 comment hearing on April 3rd. Comments in support of the proposal were
19 provided by the Texas Food and Fuel Association, which represents the
20 wholesale and retail levels of the food and petroleum industries in Texas
21 and whose members own, operate, or supply more than 16,500 retail
22 convenience stores in Texas.

23 Comments opposed to the proposal were provided by the
24 Coalition of Texas Lottery Couriers comprised of couriers Jackpocket,
25 Jackpot.com, and Lotto.com. As required by the Administrative Procedure
26 Act, the preamble to the proposed adopted amendments includes the

1 agency's response to these comments. Staff recommends adoption of the
2 amendments.

3 CHAIRMAN RIVERA: Okay. Do we have any speakers?

4 MR. BIARD: We do not have anyone signed up for public comment.

5 CHAIRMAN RIVERA: Okay, Commissioners, any discussion? Any
6 questions?

7 COMMISSIONER FRANZ: Mr. Chairman, I just would like to make
8 one comment. You'll recall--

9 CHAIRMAN RIVERA: --Is your light?

10 COMMISSIONER FRANZ: --Yeah, it's on green. You'll recall I
11 voted against the initial promulgation of this rule back on March 4th
12 for the reason being, at that time that I did believe that the actions
13 we had taken regarding bulk purchasing, you'll recall limiting the number
14 of terminals and some of those policies that we had taken, addressed
15 that which was the pressing need at the time, and that we would be better
16 served to wait until we heard from the Legislature on details of what
17 they were proposing. As we know, there's a lot of legislation out there
18 on this issue right now.

19 However, I have, during this 30-day period and weighing the
20 evidence and all, I'm persuaded that this is the right move to go forward
21 and that we should do the maximum amount allowable under our current
22 statute, which is what this does in my understanding, and then we should
23 proceed with that. And then when we see what the Legislature produces,
24 we'll then be back here to fine-tune that whichever direction they go.

25 So, I just want to clarify that from that previous vote, and
26 I'll be voting in favor.

1 CHAIRMAN RIVERA: Okay, Mark, thank you for your comments. Any
2 additional comments, questions?

3 COMMISSIONER FIELDS: I have one question for Bob. Bob, if the
4 Legislature were to come to an agreement and decide to regulate the
5 couriers, what happens to this rule? It doesn't just go away, right? The
6 Commission needs to take immediate action to--

7 MR. BIARD: There would be an effective date for the new law
8 and the Commission would likely be required to adopt rules to implement
9 the new law in which event these changes being made now would be repealed
10 or modified to conform to the new law.

11 COMMISSIONER FIELDS: Okay. Thank you.

12 CHAIRMAN RIVERA: Okay, Commissioners, any other discussion?
13 Okay. Is there a motion to adopt the rule changes?

14 MR. STEEN: So moved.

15 CHAIRMAN RIVERA: Okay. Do we have a second?

16 COMMISSIONER FIELDS: Second.

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

18 (Chorus of "Ayes")

19 CHAIRMAN RIVERA: Okay. Motion passes. Next item is appointing
20 -- go ahead, Sergio.

21 MR. REY: Yes, apologies. If I may, now that the rule amendment
22 has been approved, the agency will commence with appropriate
23 administrative processes, whether it relates to investigations or
24 respond to any violations within due process. So, John Graham, our
25 Enforcement director, is available to provide any details of this process
26 if you so please.

1 CHAIRMAN RIVERA: Okay. Commissioners, any additional
2 discussion questions? Okay, Sergio, we appreciate it and grateful for
3 the work that you are doing, have done, and will do, Bob and John, as
4 well. Thank you.

5 AGENDA ITEM IV.

6 CHAIRMAN RIVERA: Okay. Next item is appointing a Commissioner
7 to the Legal Subcommittee. Bob, this is your item.

8 MR. BIARD: Thank you. Thank you, Commissioners. With the
9 recent departure of Commissioner Smith, there's now a vacancy on the
10 Legal Subcommittee. After discussion with the Chairman and Commissioner
11 Franz, we recommend that you as a board take action to appoint
12 Commissioner Franz to serve on the Legal Subcommittee with the Chairman.

13 Happy to answer any questions.

14 CHAIRMAN RIVERA: Any questions, comments? Okay. Is there a
15 motion to appoint Commissioner Franz to the Legal Subcommittee?

16 COMMISSIONER STEEN: So moved.

17 CHAIRMAN RIVERA: Do we have a second?

18 COMMISSIONER FIELDS: Second.

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

20 (Chorus of "Ayes")

21 CHAIRMAN RIVERA: Motion passes. Commissioner Franz, welcome
22 to the Legal Subcommittee.

23 AGENDA ITEM V.

24 CHAIRMAN RIVERA: Alrighty. Next item is a report on HUB and
25 minority business participation. Eric Williams, this is your item.

1 MR. WILLIAMS: Good morning, Chairman, Commissioners. For the
2 record, my name is Eric Williams, and I am the Historically Underutilized
3 Business Program Coordinator of the HUB program. As you're aware, the
4 HUB program is a statewide initiative that provides assistance in
5 contracting opportunities to minority, women, and service-disabled
6 veteran-owned businesses. I'd like to provide a brief update on our
7 program before I speak about the Minority Business Participation Report.

8 At the beginning of each fiscal year, the agency sets its
9 annual internal HUB goals as required by the Comptroller's rules. This
10 year's goals and a set of summary reports were sent to you last fall. A
11 copy of the agency's finalized fiscal year 2024 Minority Business
12 Participation Report is included in your notebooks this morning. This
13 is an annual report which is required by Section 466.107 of the State
14 Lottery Act and must be made available to the Governor, Lieutenant
15 Governor, Speaker of the House, and members of the Legislature.

16 The report documents minority and HUB participation in our
17 agency's contracting activities and includes information on the number
18 of licensed minority retailers. Through fiscal year 2024, the agency
19 received an overall participation rate of 10.72% in its minority HUB
20 contracting activities, which is an increase from our fiscal year 2023's
21 performance of 9.63%. Of the 22 largest spending state agencies and
22 universities, in fiscal year 2024, the agency ranked 15th by overall HUB
23 percentage.

24 During this reporting period, the agency also had 8,931
25 minority retailers, which represented 41.69% of the Texas Lottery's total

1 retailer base. I'll be happy to answer any questions regarding this
2 report at this time.

3 CHAIRMAN RIVERA: Okay, Eric, thank you. Commissioners any
4 discussion? Thank you very much, Eric.

5 MR. WILLIAMS: Yes, sir. Thank you.

6 COMMISSIONER FRANZ: No, thank you, Eric. Also, for pointing
7 out on the number of retailers that we've gotten, 40% is a good number.
8 That's a little bit different for our agency than a lot of agencies
9 because we have so many external agents in our circle.

10 MR. WILLIAMS: Yes, sir.

11 COMMISSIONER FRANZ: Thank you.

12 MR. WILLIAMS: Yes, sir.

13 CHAIRMAN RIVERA: Okay. Is there a motion to approve?

14 COMMISSIONER FRANZ: I'll move to approve.

15 CHAIRMAN RIVERA: Okay.

16 COMMISSIONER STEEN: Second.

17 CHAIRMAN RIVERA: Motion and a second. All in favor say "aye."

18 (Chorus of "Ayes")

19 CHAIRMAN RIVERA: Motion passes. Eric, thank you so much for
20 your hard work and just we are very grateful.

21 MR. WILLIAMS: Yes, sir. Thank you, Chairman.

22 CHAIRMAN RIVERA: Thank you.

23 AGENDA ITEM VI.

24 CHAIRMAN RIVERA: Okay. Next item is a report on lottery
25 operations procurement. Angela?

1 MS. ZGABAY-ZGARBA: Good morning, Chairman, Commissioners. For
2 the record, my name is Angela Zgabay-Zgarba, the Director of
3 Administration. Item six in your notebook is a briefing item. This is
4 an interim status update to let you know that the RFP continues to
5 progress as planned and under review.

6 I'd be happy to answer any questions or if you have any
7 comments or questions.

8 CHAIRMAN RIVERA: Okay. Commissioners, any discussion,
9 comments, questions?

10 Angela, thank you very much. We appreciate the work that you
11 do.

12 AGENDA ITEM VII.

13 CHAIRMAN RIVERA: Okay. Next item is a report on lottery sales,
14 revenue transfers, and agency financials. Sergio, your item.

15 MR. REY: Well, thank you, Chairman again. For the record,
16 Sergio Rey, Acting Deputy Executive Director. Well, this morning we have
17 a new format of our previous three financial agenda items, and they have
18 now been consolidated to one report. Specifically, the product line
19 details, we have already reviewed and discussed with our Planning
20 Subcommittee. Annika Guarnero, our financial operations manager, will
21 be making today's presentation.

22 MS. GUARNERO: Good morning. For the record, my name is Annika
23 Guarnero, Financial Operations Manager in the Office of the Controller.
24 Next slide, please. Thank you.

25 The first item we'll cover will be sales through week ending
26 April 9, 2025. At the 33-week mark of fiscal year 2025, we have reached

1 total sales of \$5.16-billion. This is a decrease of roughly \$323-million
2 or 5.9% from last year's \$5.48-billion for the same time period. Draw
3 sales are reflecting a decrease of approximately \$235-million less than
4 last year. This year's total is \$978.6-million versus the \$1.213-billion
5 last year. Scratch ticket sales noted in the orange bars encompass 81%
6 of sales through week 33. The \$4.176-billion total is about \$88-million
7 less than last year.

8 For our second part of our agenda item, I'll be presenting a
9 high-level summary of the accrued revenues and transfers to the State
10 through March 31, 2025. Next slide, please. Thank you.

11 Our accrued revenue transfers to the State totaled \$949-
12 million for the first seven months of fiscal year 2025. Of this amount
13 transferred to the State from sales, \$887-million were transferred to
14 the Foundation School Fund.

15 On our next slide, this slide shows that \$17.3 million were
16 transferred to the Texas Veterans Commission. The remaining \$44.3-
17 million were transferred from unclaimed prizes. While the overall amount
18 of transfers is less than compared to this time last fiscal year, our
19 next slide shows our cumulative accrued transfers through March 2025 to
20 the Texas education is \$34.7-billion and \$267.9-million to Texas
21 Veterans. Next slide, please.

22 The third part of this agenda item is the budget summary
23 through the second quarter of fiscal year 2025, ending February 28, 2025.
24 We provided this detailed data in your notebooks. Next slide, please.

25 Of the total funding appropriated by the Legislature to the
26 Commission, \$336-million is for the lottery account budget. Through the

1 second quarter, 76.8% or \$258.3-million of this budget has either been
2 expended or encumbered.

3 Our next slide shows that the Bingo operating budget is \$2.5-
4 million, which is funded through general revenue. Through the second
5 quarter, 89.8% or \$2.3-million of this budget has either been expended
6 or encumbered. Overall, these percentages align with previous fiscal
7 years and reflect our ongoing commitment to responsible stewardship of
8 state funds. This concludes my presentation of agenda item seven.

9 CHAIRMAN RIVERA: Okay, great presentation. Thank you.
10 Commissioners, any questions? Discussion?

11 Thank you very much. Good job.

12 AGENDA ITEM VIII.

13 CHAIRMAN RIVERA: Okay. Next item is report on the legislative
14 session. Nelda, your item.

15 MS. TREVIÑO: Good morning, Commissioners. For the record, I'm
16 Nelda Treviño. I'm the Director of Governmental Affairs. We have provided
17 you an updated bill tracking report this morning and I have a high-level
18 summary and some brief comments regarding a few bills.

19 Senate Bill 1, the General Appropriations Bill by Senator
20 Joan Huffman and Representative Greg Bonnen outlines the State budget
21 for the 2026-2027 biennium. The appointed Conference Committee comprised
22 of five House members and five Senate members is meeting to resolve the
23 differences between the House and Senate versions.

24 As you are aware, the House version of the Appropriations
25 Bill zeros out the agency's budget and the Senate version maintains the
26 agency's funding, and also adds two new riders related to the lottery

1 reporting requirements. The Conference Committee will adopt a final
2 budget to be presented to the House and to the Senate for a final vote.

3 House Bill 500 by Representative Bonnen is the supplemental
4 appropriations bill. This bill was voted out of the House, and it is
5 anticipated to be considered by the Senate Finance Committee. The bill
6 as voted out of the House includes the agency's two IT exceptional items:
7 requests for the Bingo Operating Service System and for the agency's
8 CAPPS financial system.

9 Senate Bill 28 by Senator Bob Hall relates to the prohibition
10 of lottery couriers. The bill was voted out of the Senate on February
11 the 27th and is pending consideration by the House.

12 Senate Bill 1346 by Senator Brian Hughes relates to the
13 prohibition of bulk purchases for lottery tickets. This bill was voted
14 out of the Senate on April the 10th and is pending consideration by the
15 House.

16 House Bill 4172 by Representative Senfronia Thompson relates
17 to the regulation of charitable bingo. This bill was considered by the
18 House Licensing and Administrative Procedures Committee and a committee
19 substitute was voted out favorably from the Committee. Provisions of the
20 bill include authorizing the establishment of a nonprofit corporation
21 and a mechanism to advertise and promote charitable bingo; allowing the
22 return of bingo products to licensed distributors under certain
23 circumstances; increasing the prize amount exempt from prize fees from
24 \$5 to \$100; and increasing the amount a licensed charity can maintain
25 and reserve for capital allowances from 50,000 to a 100,000.

1 House Bill 2820 by Representative AJ Louderback also relates
2 to the regulation of charitable bingo. This bill was also considered by
3 the House Licensing and Administrative Procedures Committee, and a
4 committee substitute was also voted out favorably from the Committee.
5 This bill increases the amount a licensed charity can maintain and
6 reserve for capital allowances from 50,000 to 100,000. It is anticipated
7 these two bills related to charitable bingo will now be considered by
8 the full House.

9 Senate Bill 1721 by Senator Mayes Middleton relates to the
10 transfer of the regulation of charitable bingo to the Texas Department
11 of Licensing and Regulation. The bill was considered by the Senate State
12 Affairs Committee and a committee substitute was voted out favorably
13 from the Committee. This bill is now scheduled to be considered on May
14 1st by the Senate under its local and uncontested calendar. The committee
15 substitute for Senate Bill 1721 requires the transfer of the bingo
16 program to occur by September 1, 2026.

17 The agency's Sunset Legislation, Senate Bill 2404, by Senator
18 Middleton, and its House Companion, House Bill 1505, by Representative
19 Lacey Hull have not been considered by the committees.

20 In closing, the regular legislative session will conclude on
21 Monday, June 2nd. Beginning May 12th, legislative deadlines for action
22 under House and Senate rules will begin coming into effect in order for
23 bills to continue through the legislative process. We will continue
24 monitoring legislation through the end of the session, identify bills
25 that are enacted impacting the agency, and will begin preparing for the
26 legislative implementation project.

1 This concludes my report, and I'll be glad to answer any
2 questions.

3 CHAIRMAN RIVERA: Okay. Nelda, thank you. Commissioners, any
4 questions, any discussion?

5 COMMISSIONER STEEN: Thank you, Nelda.

6 COMMISSIONER FRANZ: Thanks, Nelda. Busy time.

7 CHAIRMAN RIVERA: Thank you, Nelda.

8 MS. TREVIÑO: You're welcome.

9 AGENDA ITEM IX.

10 CHAIRMAN RIVERA: Okay. Next item is the internal auditor's
11 report. Darlene?

12 MS. BROWN: Good morning, Commissioners. For the record, I'm
13 Darlene Brown, the Internal Auditor. I have a short report for you today.

14 Our team has been very busy. We've issued out the advertising
15 program audit report, and those controls were generally effective. We
16 also completed the claims and price management audit and concluded that
17 controls are generally effective there. We are in the middle of the
18 budget audit. We completed the quarterly network access reviews and had
19 no issues. We've also begun looking at the lottery contractor RFP process
20 to make sure that those were followed, and we will soon start the drawing
21 studio audit. And then later on this month in May, we will look at the
22 IT software system life cycle.

23 That concludes my report for today.

24 CHAIRMAN RIVERA: Okay, Darlene, thank you. Commissioners, any
25 discussion? We are very grateful for all of your detailed work, and it's
26 definitely noted and we're grateful. Darlene, thank you.

1 MS. BROWN: Thank you.

2 CHAIRMAN RIVERA: Welcome back.

3 AGENDA ITEM X.

4 CHAIRMAN RIVERA: Okay, next item is the Bingo Director's
5 report. LaDonna, your item.

6 MS. CASTAÑUELA: Good morning, Commissioners. For the record,
7 LaDonna Castañuela, Director, Charitable Bingo Operations Division. In
8 your notebooks, you have the Division's output metric reports for
9 February and March. I'm available to answer any questions you may have.
10 That's all I have for you this morning.

11 CHAIRMAN RIVERA: Okay. Commissioners, any discussion?

12 COMMISSIONER STEEN: Thanks, LaDonna.

13 CHAIRMAN RIVERA: Thank you. Bob, do you want to say something?

14 AGENDA ITEM XI.

15 MR. BIARD: Sure. Yes, Chairman. On Item 11, this is the
16 Executive Director report. This agenda item was prepared by the former
17 Executive Director who's no longer with the agency. My understanding is
18 this item is tabled and won't be taken up today.

19 CHAIRMAN RIVERA: Okay. Okay, so next item.

20 MR. BIARD: The enforcement cases.

21 AGENDA ITEM XII.

22 CHAIRMAN RIVERA: Enforcement cases. 12. Bob, your item.

23 MR. BIARD: Yes. Commissioner, again, I'm Bob Biard, General
24 Counsel. This item contains 24 lottery cases, tabs A through X. These
25 are cases where a lottery or bingo licensee violated a statute or rule.
26 In most cases, either the respondent failed to appear at the hearing,

1 and it proceeds by default, or the staff and the respondent reached a
2 settlement in the form of an agreed order. We have both of these types
3 of cases today. These are all lottery cases today, as well as one case
4 that did go to the State Office of Administrative Hearings.

5 Tabs A through N are the non-sufficient fund lottery retailer
6 license revocations handled in a single order. Each case was presented
7 at the State Office of Administrative Hearings for revocation of the
8 retailer license because the licensee failed to have sufficient funds
9 in their bank account to cover electronic fund transfers to the
10 Commission's account. In each case, the licensee failed to appear at the
11 hearing, and the judge remanded the case to the Commission to handle as
12 a default matter.

13 Tabs O through W are lottery agreed orders, and we have a
14 variety of violations in those. These are settlements.

15 And finally, tab X is a SOAH case. A retailer requested a
16 redetermination of the amount that the Commission determined was owed
17 following a flooding incident in which tickets were stolen and validated.
18 The judge recommended in favor of the Commission that the retailer must
19 pay the amount that the Commission determined was owed.

20 That concludes my presentation. I recommend approval of all
21 these orders, and you may take them up in a single vote if you like.

22 CHAIRMAN RIVERA: Okay. Bob, thank you. Commissioners, any
23 discussion?

24 Okay. Is there a motion to approve the orders, tabs A through
25 X.

26 COMMISSIONER STEEN: So moved.

1 CHAIRMAN RIVERA: We have a motion. Is there a second?

2 COMMISSIONER FIELDS: Second.

3 CHAIRMAN RIVERA: Motion is seconded. All in favor say "aye."

4 (Chorus of "Ayes")

5 CHAIRMAN RIVERA: Motion passes.

6 MR. BIARD: Thank you, Commissioners.

7 AGENDA ITEM XIII.

8 CHAIRMAN RIVERA: Okay, Bob, do we have any public comment?

9 MR. BIARD: We have no request for public comment.

10 AGENDA ITEM XIV.

11 CHAIRMAN RIVERA: Okay. I move that the Texas Lottery
12 Commission go into executive session to deliberate personnel matters and
13 to receive legal advice. Is there a second?

14 COMMISSIONER STEEN: So moved.

15 CHAIRMAN RIVERA: We have a second. All in favor say "aye."

16 (Chorus of "Ayes")

17 CHAIRMAN RIVERA: The Texas Lottery Commission will go into
18 executive session at 10:27 a.m. on April 29, 2025.

19 AGENDA ITEM XV.

20 CHAIRMAN RIVERA: Okay. The Texas Lottery Commission is out of
21 executive session at 11:01 a.m. We have some action items to take. Do
22 we have a motion?

23 COMMISSIONER FIELDS: Yes, Mr. Chairman, I move that we approve
24 the employee performance evaluation for LaDonna Castañuela and a 6.5%
25 salary increase for LaDonna, effective May 1, 2025.

26 CHAIRMAN RIVERA: Okay. Commissioners, any discussion?

1 COMMISSIONER STEEN: Second. Sorry.

2 CHAIRMAN RIVERA: All right. Okay. All right. No discussion.
3 Do we have a motion? Cindy made the motion. Do we have a second?

4 COMMISSIONER FRANZ: Second.

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

6 (Chorus of "Ayes")

7 CHAIRMAN RIVERA: Okay. Motion passes.

8 COMMISSIONER FRANZ: Thank you, LaDonna.

9 MS. CASTAÑUELA: Thank you.

10 CHAIRMAN RIVERA: Yes.

11 COMMISSIONER FRANZ: It's been a busy year.

12 MS. CASTAÑUELA: Yes.

13 COMMISSIONER STEEN: I didn't mean to cut off your praise.
14 Sorry.

15 CHAIRMAN RIVERA: Your guidance at Bingo has been absolutely
16 wonderful and just the time that you've spent here has been obviously
17 quality for the agency, and your being at the helm is such a just night
18 and day difference from those that have been here before. So, we're
19 incredibly grateful for all that you do and the work that you do to help
20 bingo across the State. So LaDonna, thank you very much. Well deserved.

21 MS. CASTAÑUELA: Thank you very much.

22 AGENDA ITEM XVI.

23 CHAIRMAN RIVERA: Okay. Alrighty. Commissioners, I believe
24 that this concludes the business of our meeting. Is there a motion to
25 adjourn?

26 COMMISSIONER FRANZ: I'll move to adjourn.

CHAIRMAN RIVERA: Do we have a second?

COMMISSIONER FIELDS: I'll second.

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

(Chorus of "Ayes")

CHAIRMAN RIVERA: We are adjourned. Thank you, everyone.

(Meeting concluded)