

TRANSCRIPT OF PROCEEDINGS  
BEFORE THE  
TEXAS LOTTERY COMMISSION  
AUSTIN, TEXAS  
BINGO ADVISORY COMMITTEE MEETING

April 28, 2025

10:00 a.m.

AT

1801 Congress Avenue  
George H. W. Bush Building  
4<sup>th</sup> Floor, Board Room 4.300  
Austin, Texas 78701

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

## APPEARANCES

## COMMITTEE MEMBERS:

William T. Smith III (Trace), Chairman

Melodye Green

Veronica Uriegas

Tommy Duncan Jr.

Victor Kuykendoll

Dr. Demetrick "Tre" Pennie

Jason Pohl

Audrey Walter

## COMMISSION STAFF:

LaDonna Castañuela, Director of Charitable Bingo Operations

Tyler Vance, Assistant General Counsel

## PUBLIC:

Stephen Fenoglio, Texas Charity Advocates

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PROCEEDINGS

MONDAY, APRIL 28, 2025 (10:00 a.m.)

AGENDA ITEM I.

CHAIRMAN SMITH: All right. I call the April 28th, 2025 meeting of the Bingo Advisory Committee to order. We'll start off with the Pledge of Allegiance to the United States and the Texas flags.

(Pledges recited)

AGENDA ITEM II.

CHAIRMAN SMITH: Moving on to item two, roll call. Audrey?

MS. WALTER: Present.

CHAIRMAN SMITH: Dr. Pennie.

DR. PENNIE: Present.

CHAIRMAN SMITH: Melodye?

MS. GREEN: Here.

CHAIRMAN SMITH: Veronica?

MS. URIEGAS: Here.

CHAIRMAN SMITH: Tommy?

MR. DUNCAN: Here.

CHAIRMAN SMITH: And Floyd?

MR. OLIVE: Here.

CHAIRMAN SMITH: Victor? Is Victor online? No. Victor's not online? Okay, okay. And Jason Pohl?

MR. POHL: Here.

CHAIRMAN SMITH: There you are.

MR. DUNCAN: He's online.

CHAIRMAN SMITH: Excellent. Good to have you, Jason.

1 MR. POHL: Thank you.

2 AGENDA ITEM III.

3 CHAIRMAN SMITH: Okay. Moving on to item number three,  
4 meeting minutes from February 5th, 2025 meeting. Any public comment?  
5 Moving on for approval of the meeting minutes. All in favor say aye.

6 (Chorus of "ayes")

7 Any opposed? All right, motion carries. Meeting minutes are  
8 approved.

9 AGENDA ITEM IV.

10 CHAIRMAN SMITH: Item number four, Sunset update, or Sunset  
11 bill update. LaDonna, is there anything you want to comment about  
12 that?

13 MS. CASTAÑUELA: Well, the actual Sunset bills have not been  
14 set for a hearing yet, so they're not moving at all. The -- what did  
15 you call it, Steve? -- the catch-all bill, we've been referring to it  
16 as the safety-net bill -- in the Senate has passed the committee, and  
17 Steve just informed me that the House version is going to be set for  
18 hearing this week.

19 MR. FENOGLIO: [inaudible].

20 MS. CASTAÑUELA: Okay. Wednesday.

21 AGENDA ITEM V.

22 CHAIRMAN SMITH: Wednesday, okay. Any public comment? If  
23 not, we'll move on to item five, 2025 Legislative update. We'll open  
24 this up to public comment. Mr. Fenoglio, I think you've got a lot to  
25 say today.

1           MR. FENOGLIO: Good morning. For the record, my name is  
2 Stephen Fenoglio. I'm an attorney in Austin and I'm also a board  
3 member of the Texas Charity Advocates. House Bill 4172, which is Ms.  
4 T's bill that's supported by TCA, Bingo Interest Group and others, has  
5 cleared the House Committee on Licensing and Administrative  
6 Procedures. It now goes to the Calendars Committee. We expect that  
7 paperwork to be there by Wednesday.

8           As most of you know, before a bill can get on the House  
9 floor, it has to clear Calendars Committee, which is sort of a traffic  
10 cop, if you will, to clear bills. So once it gets out of the Calendars  
11 Committee, and it may take a week or two to do so, lots of bills right  
12 now in Calendars, then it would go to the House floor. The Senate  
13 companion introduced by the Dean of the Senate is in committee, and  
14 our plan all along has been to get the House bill out and take it over  
15 to the Senate and get the Senate to pass the House bill. It's a lot  
16 simpler.

17           There's a bill, by Louderback, and I can't recall the bill  
18 number, that would raise the capital reserve requirement to a hundred  
19 thousand dollars. That has also been out of the House Committee.  
20 Coincidentally, House Bill 4172 has that same number. I'll be happy to  
21 answer any questions.

22           If none, there's one other bill that's of interest, Senate  
23 Bill 1721, which is a bill by Senator Mayes Middleton of Galveston,  
24 that would transfer regulation of Charitable Bingo from the Texas  
25 Lottery Commission to the TDLR, Texas Department of Licensing and  
26 Regulation. The bill passed the Senate Committee on State Affairs. It

1 is now on the Senate calendar. That calendar includes that bill today,  
2 but it is an extremely long calendar that the Senate has. Senate goes  
3 into session at 11:00, don't know if they'll get to that bill.

4 Senator Middleton's intent all along was to make sure that  
5 whatever the controversy is with the Texas Lottery Commission, that  
6 Charitable Bingo has a place to continue and be regulated. I'll be  
7 happy to answer any questions.

8 CHAIRMAN SMITH: Any questions?

9 DR. PENNIE: Well, one, just expected timeline. Once this is  
10 supposedly passed, what does that look like? What does that look like  
11 for us?

12 MR. FENOGLIO: Senate Bill 1721?

13 DR. PENNIE: Correct.

14 MR. FENOGLIO: Well, if it does pass, there are several  
15 deadlines that roll. It's rather complicated to move an agency from  
16 one agency to another. There's provisions in there, and I have the  
17 bill in my briefcase, I didn't bring it up here, but there's  
18 opportunity for memorandum of understanding between TDLR and Lottery  
19 about how you transfer over personnel. By the way, the bill  
20 anticipates, at least initially, all Bingo personnel would transfer  
21 over to TDLR and then also the equipment. So it would start happening  
22 in September 1 of this year. And I believe it's finally everything's  
23 transferred over sometime in 2026. So it's rather a quick process.

24 CHAIRMAN SMITH: Any other questions? Steve, the eight-liner  
25 bill, can you briefly --

1           MR. FENOGLIO: SB 517 is also a bill by Senator Mayes  
2 Middleton from Galveston. There's a companion bill in the House that  
3 has not been heard. Senator Middleton's bill initially had a safe  
4 harbor for Charitable Bingo. If Charitable Bingo was operating a new  
5 class of slot-in-appearance game, a game in which skill would  
6 predominate in the outcome, that provision has been stripped out. The  
7 bill now is designed to eliminate all eight-liner style games in the  
8 state. You'll recall there was a Fort Worth Court of Appeals decision  
9 that held that eight-liners are not allowed in the state because they  
10 operate on the lottery principle, and only the voters of the state of  
11 Texas can approve an exception to the lottery. The lottery principle  
12 is consideration, money, chance determines whether you win or lose,  
13 and then you win a prize. In the case of eight-liners, it's a "de  
14 minimis non-cash prize." Nonetheless, the Fort Worth Court of Appeals  
15 held that's a lottery principle.

16           I was the lead attorney for the operators. We appealed that  
17 decision to the Texas Supreme Court. The Supreme Court looked at it  
18 and said, "We're not interested," and didn't issue an opinion. That  
19 decision is binding on the 13 counties that are in the Fort Worth  
20 Court of Appeals jurisdiction. This bill would make that statewide, so  
21 any eight-liner style game would be prohibited. It also raises the  
22 penalties. Generally, gambling offenses, possession of a gambling  
23 device, keeping a gambling place, for example, are misdemeanors, it  
24 would raise the penalty to a third-degree felony for those offenses.  
25 That bill is also on the Senate calendar for today, and again, it's  
26 buried down in the calendar, whether they'll get to it today is



1 unknown. We expect it to pass the Senate at some point, in which case  
2 it comes over to the House.

3 CHAIRMAN SMITH: Thank you, Steve. Any other questions for  
4 Steve?

5 MR. FENOGLIO: Thank you.

6 CHAIRMAN SMITH: Thank you. Anybody else like to comment on  
7 the legislation currently going on? Okay. Alrighty.

8 AGENDA ITEM VI.

9 CHAIRMAN SMITH: We'll move on to item number six, old  
10 business. Is there any public comment on old business? Any discussion  
11 from anyone?

12 MS. CASTAÑUELA: Trace.

13 CHAIRMAN SMITH: Yes, ma'am.

14 MS. CASTAÑUELA: I just wanted to say that I got a message  
15 here from Victor that says, "I'm in attendance, but only in view mode  
16 and not in participant mode. I emailed Brent before the meeting and  
17 still in view mode only." So, I don't know if that can be fixed or  
18 anything, but just to let you know, he's here.

19 AGENDA ITEM VII.

20 CHAIRMAN SMITH: Thank you. Victor, welcome. Okay, if no old  
21 business, let's go on to new business. So, on the new business, there  
22 was recently a bingo advisory opinion requested by the -- or from the  
23 Lottery Commission, Bingo Division, make that distinction. LaDonna, do  
24 you want to talk about that real quick or is there anything you want  
25 to say about it?

1 MS. CASTAÑUELA: Well, we received it a few days ago, sent  
2 an email blast to everybody in BOSS and of course all the BAC members.  
3 What, Friday --

4 CHAIRMAN SMITH: Yes.

5 MS. CASTAÑUELA: -- I believe. We've got 60 days to -- well,  
6 the Commission's got 60 days to approve it. So, that's the end of June  
7 -- anticipate, if nothing changes, then the June meeting.

8 CHAIRMAN SMITH: Okay. And then the public comment period  
9 ends May 27th?

10 MS. CASTAÑUELA: May 27 -- is that what I said in my email  
11 blast? Yes.

12 CHAIRMAN SMITH: Yeah. So, the public comment period, will  
13 that be just through email or will there be a --

14 MS. CASTAÑUELA: The instructions are on that link that I  
15 sent, so I don't remember all the different ways.

16 MR. VANCE: Yeah, it's just by email, I think, to the bingo  
17 advisory email address.

18 CHAIRMAN SMITH: Okay. All right. So there's not going to be  
19 an open public meeting or anything is what I'm --

20 MR. VANCE: No, because there's no rulemaking or anything  
21 involved. It's just the advisory opinion rule allows for the public to  
22 submit comments. And there's no requirement that the agency respond to  
23 those comments or that we have a hearing or anything like that.  
24 Because it's the public hearing thing is usually pursuant to a  
25 rulemaking that the Administrative Procedures Act allows for a public

1 hearing anytime there's a rulemaking. So that's why we do that, but  
2 the advisory opinion doesn't have any kind of mechanism like that.

3 CHAIRMAN SMITH: Okay. Anyone else on the --

4 MS. URIEGAS: I have a question. I did get the email blast,  
5 but maybe I missed how to see the letter because I only got how to  
6 respond.

7 MS. CASTAÑUELA: You click on the link.

8 MS. URIEGAS: It only took me to how to respond or I don't  
9 know.

10 CHAIRMAN SMITH: There's two links on there. There's two  
11 links.

12 MS. URIEGAS: Okay, okay. So I'll double check it because I  
13 did click on one. For the record, Lucky Lady Bingo is not part of  
14 that, and somebody used my name without consent, so I just want to put  
15 that on the record.

16 CHAIRMAN SMITH: Excellent. Would that affect the validity  
17 of that bingo advisory request?

18 MR. VANCE: No, because it was sent to us -- presented as  
19 though it were some alliance of these organizations, but according to  
20 the Bingo Enabling Act, only specific people can request a bingo  
21 advisory opinion. You have to be a director or an officer of a  
22 licensee or their attorney or authorized representative, and this  
23 alliance isn't a licensee. So we had to email them back and say,  
24 somebody in this group who belongs to a licensee needs to come forward  
25 and put their name on it. So the person who did it is Connie Goff, who  
26 is an officer of Buckeye Bingo, who's a commercial lessor. So the

1 response will go back to her specifically. For the purposes of a bingo  
2 advisory opinion, the alliance doesn't qualify as a sufficient  
3 requester. So Connie Goff, as a commercial lessor, will be the one  
4 that it's issued to.

5 CHAIRMAN SMITH: Okay.

6 MR. DUNCAN: Wasn't there already an opinion on this in  
7 2014?

8 MR. VANCE: No, that one's a little bit different. That one  
9 regards the extent to which an organization can move card-minders to  
10 another premises at which that organization is located. This one is  
11 about an organization moving card-minders to another organization.

12 CHAIRMAN SMITH: I suspect there will be a lot of public  
13 comment about this. I know the phones have been ringing off the hook  
14 all week, over the weekend as well. So with that being said, I think  
15 everybody's pretty much got an opinion on this, and we understand that  
16 y'all's is the only one that really counts. But I think we might want  
17 to -- maybe have the BAC develop a subcommittee to do some fact-  
18 finding and see how this would affect the industry and give y'all some  
19 input from the BAC. Whether it's good or not, whether it follows the  
20 law or not, that we understand, but we definitely think we want to  
21 have a subcommittee on that just to gather some facts, industry  
22 standards and how it will affect the charities. You want to chair that  
23 Melodye?

24 MS. GREEN: Yes.

25 CHAIRMAN SMITH: Okay.

26 MS. URIEGAS: I will join.

1 CHAIRMAN SMITH: All right. Okay. So we have Melodye as the  
2 chair of that subcommittee.

3 MR. OLIVE: Melodye, I'd like to be on that from the  
4 manufacturer's side.

5 MS. GREEN: Thank you.

6 CHAIRMAN SMITH: Excellent.

7 MR. DUNCAN: Myself included.

8 MS. CASTAÑUELA: I have some --

9 CHAIRMAN SMITH: Dr. Pennie, you said you wanted to be on  
10 that as well?

11 DR. PENNIE: Yes.

12 CHAIRMAN SMITH: Okay. Tommy, did you say you wanted to?

13 MR. DUNCAN: Yes.

14 CHAIRMAN SMITH: Okay. We've got five people on that  
15 subcommittee. Does anyone from the general public want to be on that  
16 subcommittee?

17 MS. GREEN: Uh-oh.

18 MR. FENOGLIO: [inaudible].

19 CHAIRMAN SMITH: All right, that is Mr. Fenoglio for the  
20 record, wanting to be on that subcommittee.

21 MR. POHL: Trace, can you add me on there as well?

22 CHAIRMAN SMITH: Pardon?

23 MR. POHL: This is Jason Pohl.

24 MR. DUNCAN: Jason wants on it as well.

25 MR. POHL: Yeah.

26 CHAIRMAN SMITH: Okay. Jason Pohl.

1 MR. DUNCAN: That's the whole committee.

2 CHAIRMAN SMITH: That's almost everybody.

3 MR. DUNCAN: It's everybody.

4 CHAIRMAN SMITH: I'm going to let y'all do the work on this  
5 one if that's quite all right.

6 MS. CASTAÑUELA: Trace --

7 CHAIRMAN SMITH: Audrey, did you want in on that?

8 MS. WALTER: We don't use those, so I don't have -- I have  
9 an opinion, but I don't have working input.

10 CHAIRMAN SMITH: Gotcha. Okay, excellent. Thank you.

11 MS. CASTAÑUELA: Trace?

12 CHAIRMAN SMITH: Yes, ma'am.

13 MS. CASTAÑUELA: I've got some input from an email here from  
14 Victor. Could I ask --

15 CHAIRMAN SMITH: Yeah, absolutely.

16 MS. CASTAÑUELA: -- these are questions probably for Tyler.  
17 Let's see -- it says here, "I have a couple of questions about the  
18 opinion request. What is the typical time involved to review and  
19 approve requests for moving paper goods between different halls?"

20 MR. VANCE: That I'm not aware of. So the BEA allows with the  
21 prior written consent of the commission, an organization may make an  
22 occasional sale of bingo cards, which is just paper not pull-tabs, or  
23 of a used bingo flashboard or a blower to another licensed  
24 organization. I don't know when the last time we did one of those is.

25 MS. CASTAÑUELA: Oh, I think he's asking how long it takes  
26 us in the division.

1 MR. VANCE: Right.

2 MS. CASTAÑUELA: Okay. So, it probably doesn't take very  
3 long. I wouldn't imagine that it takes very long once everything's in  
4 order. Okay, my staff is nodding their heads, Victor, that it doesn't  
5 take very long. How frequently do we receive these requests? So  
6 they're rare. Vivian says they're very rare. Do we disapprove these  
7 requests, and if so, under what circumstances? If they don't meet the  
8 law, right? Otherwise, if everything's fine, then we approve them. And  
9 he says here, "My concern is staff is being overwhelmed with multiple  
10 requests." And it doesn't sound like that's happening, these are  
11 pretty rare, these kinds of requests for moving paper around.

12 I have another email here. Oh, I'm sorry. I'm sorry. The  
13 second email from Victor says, "Disregard these requests. The  
14 subcommittee can handle that."

15 CHAIRMAN SMITH: Well, thank you, Victor. We appreciate  
16 that.

17 MR. DUNCAN: [inaudible] Victor.

18 MS. CASTAÑUELA: It came in while I was talking about it.

19 MS. URIEGAS: Well, and also clarification that it's not  
20 bingo paperwork we are talking about.

21 MS. CASTAÑUELA: Yeah, this particular BAO is about the  
22 computers, the electronic card-minders and not paper this time. It was  
23 paper last time. Right.

24 MS. GREEN: I have a question. Is there a form that you fill  
25 out to transfer [inaudible].

26 MS. URIEGAS: Equipment.

1 MS. CASTAÑUELA: Yes.

2 MR. DUNCAN: There is.

3 MS. CASTAÑUELA: Yes.

4 MS. GREEN: For equipment too, say if I had a bingo board?

5 MS. CASTAÑUELA: For equipment also. I believe so.

6 MR. DUNCAN: Yes.

7 MS. CASTAÑUELA: Right. Yeah. Bingo --

8 MS. GREEN: What form is that?

9 MS. CASTAÑUELA: I don't know the number off the top of my  
10 head, but I got people here who can help you.

11 MS. GREEN: And who answers that? Is it you or Vivian does?

12 MR. VANCE: It's Form ID 57.

13 MS. CASTAÑUELA: There you go.

14 MR. DUNCAN: American Legions and such do it all the time.  
15 You just did it.

16 MS. GREEN: No, it was not [inaudible].

17 MR. DUNCAN: Oh, I got you. Regulated. I got you.

18 CHAIRMAN SMITH: Okay, so we have our subcommittee and is  
19 there any other new business? Melodye?

20 MS. GREEN: I do have a question, and this I guess will go to  
21 Floyd.

22 CHAIRMAN SMITH: Uh-oh.

23 MS. GREEN: Unusual for me not to speak up, but Floyd, I've  
24 heard from some distributors that the Bingo King will not allow  
25 multiple different types of units in one hall. So if I could have  
26 Bingo King video here, like Tabby and then the Super Ace, that they



1 would not allow them to do that. Is that true or is that a  
2 manufacturing law? Or is it just distributors saying you can't have  
3 mine if you take theirs?

4 MR. OLIVE: It would probably just come down to a business  
5 decision. Ultimately, if a location is going to put two different  
6 handsets in, you would be cutting probably the one that was there in  
7 half as far as revenue, which might not make it feasible for them to  
8 stay. So other than that, there's no rule, there's no anything that  
9 would prevent that.

10 MS. GREEN: So, there's nothing from -- Okay. Well, the  
11 reason we would be doing this, asking to have two different types of  
12 video, is the fact that we can't get all the video we need. I've asked  
13 you for 400, you don't have 400, so that would be one of the reasons  
14 why you would try to get a different video in.

15 MR. OLIVE: Sure, I understand.

16 MS. GREEN: Yeah. Okay. So it's not a Bingo King rule?

17 MR. OLIVE: No.

18 CHAIRMAN SMITH: Okay. All right. Good deal. Any other new  
19 business? Anything from the public? Any comments? Yes, ma'am.

20 MS. GREEN: I have one comment real quick. I would just like  
21 to say a really quick thank you to Steve Fenoglio, Steve Bresnen, Tom  
22 Stewart, Commissioner Fields for the very -- and LaDonna and Tyler --  
23 for the professional way they have put a face on bingo the past few  
24 months, because it's been an interesting time. And a big thank you to  
25 Trace.

26 CHAIRMAN SMITH: Thank you.

1 MS. GREEN: Because he has come on his own dime, come down  
2 here many times, met with so many committees --

3 CHAIRMAN SMITH: Legislators.

4 MS. GREEN: So many legislators, and you have been the face  
5 of bingo, the conductor, the commercial lessor, and you've done such  
6 an amazing job. We owe you at least gas money, but everybody in bingo  
7 owes you a great debt. I don't know if they know that, what you've  
8 done.

9 CHAIRMAN SMITH: You're making me blush. I appreciate that.  
10 Thank you very much. It's definitely been a team effort and we  
11 couldn't do what we do without everybody here.

12 MS. GREEN: No. Yeah. These guys for 30 years have helped us  
13 though. Anyway, thank you.

14 AGENDA ITEM VIII.

15 CHAIRMAN SMITH: Absolutely. And, thank you. All right.  
16 Anything else from anyone? Date for the next meeting is the 4th of  
17 June, I presume.

18 MS. CASTAÑUELA: At this time the date for the BAC meeting  
19 is June 4th. It'll be here at 10 o'clock. Commission meeting following  
20 the very next day, June 5th. Remembering, everyone, the last day of  
21 session is Monday, June 2nd.

22 MS. GREEN: Trace, I will not be here June 4th, I'll be out  
23 of the country.

24 CHAIRMAN SMITH: Okay.

25 MS. GREEN: But I'll leave my report with --

1           CHAIRMAN SMITH: The subcommittee will have to have their  
2 facts and everything ready to submit before May 27th.

3           MS. CASTAÑUELA: Yes.

4           CHAIRMAN SMITH: Yeah, that's the final deadline. And if we  
5 can, we'll try to get that to you early. That way you'll have time to  
6 process it.

7           MS. CASTAÑUELA: [inaudible].

8           CHAIRMAN SMITH: Yeah.

9           MS. CASTAÑUELA: Thank you.

10          CHAIRMAN SMITH: Yes, ma'am. Maybe we can get that in by the  
11 20th, give you six, seven days to process everything.

12                           AGENDA ITEM IX.

13          CHAIRMAN SMITH: All right. If nothing else, we will call  
14 this meeting adjourned at 10:23. Thanks everyone for coming. The  
15 meeting is adjourned.

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