

1 The Texas Lottery Commission (Commission) has reviewed the Commission’s rules at
2 16 Texas Administrative Code (TAC) Chapter 403 (General Administration) in accordance with
3 the requirements of Texas Government Code §2001.039 (Agency Review of Existing Rules), and
4 hereby readopts the rules in Chapter 403. The Commission has determined that the reasons for
5 adopting each of the rules in Chapter 403 continue to exist, as discussed below. As a result of
6 this review, and as discussed below, the Commission has determined that none of the rules in
7 Chapter 403 need to be amended at this time.

8 Rule 403.101 (Public Information) sets forth agency procedures under which public
9 information may be inspected and copied, as authorized by Texas Government Code §552.230,
10 (Rules of Procedure for Inspection and Copying of Public Information). This rule also explains
11 the implementation of Texas Government Code §552.275 (Requests that Require Large Amounts
12 of Employee or Personnel Time) establishing a reasonable limit of 36 hours per fiscal year as the
13 maximum amount of time Commission personnel are required to spend producing public
14 information for inspection or duplication by a requestor, or providing copies of public
15 information to a requestor, without the Commission recovering costs attributable to that
16 personnel time. This rule has been reviewed by and discussed with the Commission’s Public
17 Information Coordinator and the Commission has determined that all practices and procedures
18 contained in the rule are current, the need for this rule still exists, and no amendments are
19 needed.

20 Rule 403.102 (Items Mailed to the Commission) is necessary to establish a standard
21 approach to determine when items are mailed to the Commission, consistent with the
22 requirements of Texas Government Code §2001.004(1), relating to state agency rules of practice.
23 This rule and Texas Government Code §2001.004(1) were reviewed alongside current

1 Commission procedures and the Commission has determined that the need for this rule still
2 exists to provide a consistent measurement for the public to know when the Commission will
3 consider an item to have been placed in the mail. This rule is current and does not require
4 amendment.

5 Rule 403.110 (Petition for Adoption of Rule Changes) is necessary to comply with the
6 requirement set forth in Texas Government Code §2001.021(b) that a state agency adopt rules
7 prescribing the form for a petition for adoption of rules. This rule is statutorily mandated by
8 Texas Government Code §2001.021(b) and the procedures contained in this rule are consistent
9 with the statute and are still needed. This rule is also consistent with current agency practice and
10 does not need amendment at this time.

11 Rule 403.115 (Negotiated Rulemaking and Alternative Dispute Resolution) sets forth
12 Commission procedures and policy to comply with the requirements of Texas Government Code
13 §467.109, relating to Negotiated Rulemaking and Alternative Dispute Resolution Policy. This
14 rule is statutorily mandated and upon review the Commission has determined that the reasons for
15 this rule continue to exist. This rule does not require amendment at this time.

16 Rules 403.201 (Definitions), 403.202 (Prerequisites to Suit), 403.203 (Sovereign
17 Immunity), 403.204 (Notice of Claim of Breach of Contract), 403.205 (Agency Counterclaim),
18 403.206 (Request for Voluntary Disclosure of Additional Information), 403.207 (Duty to
19 Negotiate), 403.208 (Timetable), 403.209 (Conduct of Negotiation), 403.210 (Settlement
20 Approval Procedures), 403.211 (Settlement Agreement), 403.212 (Costs of Negotiation),
21 403.213 (Request for Contested Case Hearing), 403.214 (Mediation Timetable), 403.215
22 (Conduct of Mediation), 403.216 (Qualifications and Immunity of the Mediator), 403.217
23 (Confidentiality of Mediation and Final Settlement Agreement), 403.218 (Costs of Mediation),

1 403.219 (Settlement Approval Procedures), 403.220 (Initial Settlement Agreement), 403.221
2 (Final Settlement Agreement), 403.222 (Referral to the State Office of Administrative Hearings),
3 and 403.223 (Use of Assisted Negotiation Processes) were adopted to govern the submission,
4 negotiation and mediation of certain claims against the Commission, as mandated in Texas
5 Government Code, Chapter 2260. These rules were reviewed and are current with Commission
6 practice and procedure and the reason for their adoption continues to exist. There are no
7 amendments required for these rules at this time.

8 Rule 403.301 (Historically Underutilized Businesses) was adopted to comply with the
9 requirement that a state agency adopt the Comptroller of Public Accounts' rules on Historically
10 Underutilized Businesses, set forth in Texas Government Code §2161.003, relating to Agency
11 Rules. This rule was reviewed and discussed with pertinent agency personnel, and the reason for
12 its adoption continues to exist. No amendments to this rule are required at this time.

13 Rule 403.401 (Use of Commission Motor Vehicles) was adopted to comply with the
14 requirement that a state agency adopt rules relating to the assignment and use of agency vehicles,
15 set forth in Texas Government Code §2171.1045, relating to Restrictions on Assignment of
16 Vehicles. This rule was reviewed by and discussed with the agency's facilities manager and the
17 reason for its adoption continues to exist. No amendments to this rule are required at this time.

18 Rule 403.501 (Custody and Use of Criminal History Record Information) is necessary to
19 implement provisions governing the Commission's access to criminal history record information
20 obtained from the Texas Department of Public Safety, set forth in Texas Government Code
21 §411.108, relating to Access to Criminal History Record Information: Texas Lottery
22 Commission. This rule was reviewed and discussed with the agency's Enforcement Director and

1 the reason for its adoption continues to exist. No amendments to this rule are required at this
2 time.

3 Rule 403.600 (Complaint Review Process) sets forth agency procedures to comply with
4 Texas Government Code §467.111, relating to Complaints, which requires the Commission to
5 maintain a system to promptly and efficiently act on each complaint filed with the Commission;
6 and, specifically, the requirement in §467.111(d) that the agency adopt rules governing the entire
7 complaint process from submission to disposition. This rule was reviewed and discussed with the
8 agency's Retailer Services Manager and the reason for its adoption continues to exist. No
9 amendments to this rule are required at this time.

10 Rule 403.700 (Employee Tuition Reimbursement) sets forth necessary internal
11 procedures under which the Commission provides financial assistance to employees who wish to
12 improve or supplement their knowledge and skills by attending classes at accredited colleges,
13 junior colleges, or universities while pursuing a degree plan. This rule was reviewed and
14 discussed with the agency's Human Resources Director and the reason for its adoption continues
15 to exist. No amendments to this rule are required at this time.

16 Rule 403.701 (Family Leave Pool) is necessary to comply with the requirement that a
17 state agency adopt rules and implement procedures relating to the operation of the Commission's
18 family leave pool, set forth in Texas Government Code, Chapter 661, Subchapter A-1, relating to
19 State Employee Family Leave Pool. This rule was reviewed and discussed with the agency's
20 Human Resources Director and the reason for its adoption continues to exist. No amendments to
21 this rule are required at this time.

22 Rule 403.800 (Savings Incentive Program) implements Chapter 2108 of the Texas
23 Government Code, which requires state agencies to provide notice to the Texas Comptroller of

1 savings realized from appropriated undedicated general revenue and to retain a portion of the
2 amounts verified by the Comptroller. While currently the Commission has no undedicated
3 general revenue appropriated to it that would allow for a savings incentive program, the statute
4 requires that the Commission maintain rules in case such funds are appropriated in the future.
5 The Charitable Bingo Operations Division is currently funded by general revenue. The
6 Charitable Bingo program is supported by bingo prize fees, license fees for manufacturers,
7 distributors, and lessors, and administrative penalties, and the Commission does not foresee
8 retaining any general revenue savings. This rule was reviewed and discussed with the agency's
9 Controller and the reason for its adoption continues to exist. No amendments to this rule are
10 required at this time.

11 This review and readoption has been conducted in accordance with the requirements of
12 Texas Government Code §2001.039. The Commission received no comments on the proposed
13 review, which was published in the October 27, 2023, issue of the *Texas Register* (48 TexReg
14 6395).

15 This action concludes the Commission's review of 16 TAC Chapter 403.