

1 The Texas Lottery Commission (Commission) files this notice of intent to review, and to
2 consider for readoption, amendment, or repeal, the Commission’s rules at Title 16 Texas
3 Administrative Code Chapter 402 relating to Charitable Bingo Operations Division. The names
4 and numbers of the rules contained in Chapter 402 are set forth below. This review is being
5 conducted in accordance with the requirements of Texas Government Code §2001.039 (Agency
6 Review of Existing Rules):

7 Subchapter A – Administration

8 §402.100 – Definitions

9 §402.101 – Advisory Opinions

10 §402.102 – Bingo Advisory Committee

11 §402.103 – Training Program

12 §402.104 – Delinquent Obligations

13 Subchapter B – Conduct of Bingo

14 §402.200 – General Restrictions on the Conduct of Bingo

15 §402.201 – Prohibited Bingo Occasion

16 §402.202 – Transfer of Funds

17 §402.203 – Unit Accounting

18 §402.204 – Prohibited Price Fixing

19 §402.205 – Unit Agreements

20 §402.210 – House Rules

21 §402.211 – Other Games of Chance

22 §402.212 – Promotional Bingo

23 Subchapter C – Bingo Games and Equipment

- 1 §402.300 – Pull-Tab Bingo
- 2 §402.301 – Bingo Card/Paper
- 3 §402.303 – Pull-tab or Instant Bingo Dispensers
- 4 §402.321 – Card-Minding Systems--Definitions
- 5 §402.322 – Card-Minding Systems--Site System Standards
- 6 §402.323 – Card-Minding Systems--Device Standards
- 7 §402.324 – Card-Minding Systems--Approval of Card-Minding Systems
- 8 §402.325 – Card-Minding Systems--Licensed Authorized Organizations Requirements
- 9 §402.326 – Card-Minding Systems--Distributor Requirements
- 10 §402.327 – Card-Minding Systems--Security Standards
- 11 §402.328 – Card-Minding Systems--Inspections and Restrictions
- 12 §402.331 – Shutter Card Bingo Systems - Definitions
- 13 §402.332 – Shutter Card Bingo Systems - Site System Standards
- 14 §402.333 – Shutter Card Bingo Systems - Shutter Card Station and Customer Account Standards
- 15 §402.334 – Shutter Card Bingo Systems - Approval of Shutter Card Bingo Systems
- 16 §402.335 – Shutter Card Bingo Systems - Licensed Authorized Organization Requirements
- 17 §402.336 – Shutter Card Bingo Systems - Distributor Requirements
- 18 §402.337 – Shutter Card Bingo Systems - Security Standards
- 19 §402.338 – Shutter Card Bingo Systems - Inspections and Restrictions
- 20 Subchapter D – Licensing Requirements
- 21 §402.400 – General Licensing Provisions
- 22 §402.401 – Temporary License
- 23 §402.402 – Registry of Bingo Workers

- 1 §402.403 – Licenses for Conduct of Bingo Occasions and to Lease Bingo Premises
- 2 §402.404 – License Classes and Fees
- 3 §402.405 – Temporary Authorization
- 4 §402.406 – Bingo Chairperson
- 5 §402.407 – Unit Manager
- 6 §402.408 – Designation of Members
- 7 §402.409 – Amendment for Change of Premises or Occasions Due to Lease Termination or
- 8 Abandonment
- 9
- 10 §402.410 – Amendment of a License - General Provisions
- 11 §402.411 – License Renewal
- 12 §402.412 – Signature Requirements
- 13 §402.413 – Military Service Members, Military Veterans, and Military Spouses
- 14 §402.420 – Qualifications and Requirements for Conductor’s License
- 15 §402.422 – Amendment to a Regular License to Conduct Charitable Bingo
- 16 §402.424 – Amendment of a License by Electronic Mail, Telephone or Facsimile
- 17 §402.442 – Amendment to a Commercial Lessor License
- 18 §402.443 – Transfer of a Grandfathered Lessor’s Commercial Lessor License
- 19 §402.450 – Request for Waiver
- 20 §402.451 – Operating Capital
- 21 §402.452 – Net Proceeds
- 22 §402.453 – Request for Operating Capital Increase
- 23 Subchapter E – Books and Records
- 24 §402.500 – General Records Requirements
- 25 §402.501 – Charitable Use of Net Proceeds

- 1 §402.502 – Charitable Use of Net Proceeds Recordkeeping
- 2 §402.503 – Bingo Gift Certificates
- 3 §402.504 – Debit Card Transactions
- 4 §402.505 – Permissible Expense
- 5 §402.506 – Disbursement Records Requirements
- 6 §402.511 – Required Inventory Records
- 7 §402.514 – Electronic Fund Transfers
- 8 Subchapter F – Payment of Taxes, Prize Fees and Bonds
- 9 §402.600 – Bingo Reports and Payments
- 10 §402.601 – Interest on Delinquent Tax
- 11 §402.602 – Waiver of Penalty, Settlement of Prize Fees, Penalty and/or Interest
- 12 §402.603 – Bond or Other Security
- 13 §402.604 – Delinquent Purchaser
- 14 Subchapter G – Compliance and Enforcement
- 15 §402.700 – Denials; Suspensions; Revocations; Hearings
- 16 §402.701 – Investigation of Applicants for Licenses
- 17 §402.702 – Disqualifying Convictions
- 18 §402.703 – Audit Policy
- 19 §402.705 – Inspection of Premises
- 20 §402.706 – Schedule of Sanctions
- 21 §402.707 – Expedited Administrative Penalty Guideline
- 22 §402.708 – Dispute Resolution
- 23 §402.709 – Corrective Action

1 The Commission will assess whether the reasons for initially adopting each of these rules
2 continue to exist. Each rule will be reviewed to determine whether it is obsolete, whether it
3 reflects current legal and policy considerations, and whether it reflects current procedures of the
4 Commission.

5 Written comments pertaining to this rule review may be submitted by mail to Deanne
6 Rienstra, Special Counsel, at Texas Lottery Commission, P.O. Box 16630, Austin, Texas 78761-
7 6630; by facsimile at (512) 344-5189; or by email at *legal.input@lottery.state.tx.us*.

8 The deadline for comments is 30 days after publication of this notice in the *Texas*
9 *Register*. Proposed changes to any of these rules as a result of the rule review will be published
10 as separate rulemaking proceedings in the Proposed Rules section of the *Texas Register* at a later
11 date. Any proposed rule changes will be open for public comment prior to final adoption or
12 repeal by the Commission, in accordance with the requirements of the Administrative Procedure
13 Act, Texas Government Code, Chapter 2001.