

## Texas Lottery Commission

Philip D. Sanderson Director

Commissioners - Mary Ann Williamson, Chairman • J. Winston Krause • Cynthia Tauss Delgado

March 12, 2012

## Dear Licensee:

This letter is being sent to all licensed authorized organizations and licensed commercial lessors to inform them of the recently issued Attorney General Opinion GA-0913<sup>1</sup> and to remind them of Attorney General Opinion GA-0812.<sup>2</sup> Attorney General Opinion GA-0812 concluded:

Texas courts have repeatedly considered the legal status of eight-liner machines that award gift certificates redeemable at retail establishments or tickets redeemable for further play and have determined that those machines are gambling devices and do not meet the requirements for exclusion under subsection 47.01(4)(B) of the Penal Code. Similarly, a device that awards bingo cards or paper, card-minding devices and pull-tab bingo, or gift certificates redeemable for the same, is not rewarding the player exclusively with "noncash merchandise prizes, toys, or novelties," under subsection 47.01(4)(B) of the Penal Code.

Attorney General Opinion GA-0913, just issued on February 27, 2012 concludes:

Because the eight-liner machines described in your request issue tickets redeemable for items that do not constitute noncash merchandise prizes, toys, or novelties, the machines do not meet the standard for the illegal gambling device exception provided in subsection 47.01(4)(B), Penal Code. Accordingly, the eight-liner machines are illegal gambling devices under the Penal Code. If an eight-liner machine is designed, made or adapted as anything other than a pure amusement device, the machine cannot meet the requirement of subsection 47.01(4)(B) and is therefore illegal. (Emphasis ours.)

The Charitable Bingo Operation Division wants to be sure that all licensees are aware of the Attorney General's opinion of the state of the law regarding eight-liners. The Attorney General on several occasions has unequivocally opined that an eight-liner machine that offers anything other than a prize that meets the pure amusement machine exception to a gambling device is illegal. Consequentially, pursuant to Texas Occupations Code Section 2001.416<sup>3</sup> such games of chance are not allowed during a bingo occasion.

If you have any questions regarding compliance with the law, as interpreted by the Texas Attorney General, we suggest that you provide this information to, and consult with, your private attorney.

Sincerely,

Philip D. Sanderson, Director

Charitable Bingo Operations Division

Sec.2001.416. OTHER GAMES.

Attorney General Opinion GA-0913 can be accessed at the following website: <a href="https://www.oag.state.tx.us/opinions/50abbott/op/2012/pdf/ga0913.pdf">https://www.oag.state.tx.us/opinions/50abbott/op/2012/pdf/ga0913.pdf</a>

<sup>&</sup>lt;sup>2</sup> Attorney General Opinion GA-0812 can be accessed at the following website: <a href="https://www.oag.state.tx.us/opinions/50abbott/op/2010/pdf/ga0812.pdf">https://www.oag.state.tx.us/opinions/50abbott/op/2010/pdf/ga0812.pdf</a>

<sup>3</sup> Texas Occupations Code

<sup>(</sup>a) A game of chance other than bingo or a raffle conducted under Chapter 2002 may not be conducted or allowed during a bingo occasion.

<sup>(</sup>b) A person authorized to conduct a raffle under this section must be a member of a licensed authorized organization as provided by Section 2001.411.

<sup>(</sup>c) The commission shall adopt rules for the implementation of this section.

<sup>(</sup>d) This section does not prohibit the exhibition and play of an amusement machine that is not a gambling device as defined by Section 47.01, Penal Code. P.O. Box 16630 • Austin, Texas 78761-6630 • Phone (512) 344-5000 • FAX (512) 478-3682 • Bingo FAX (512) 344-5142