

By: Carona

S.J.R. No. 64

1 SENATE JOINT RESOLUTION

2 proposing a constitutional amendment providing immediate  
3 additional revenue for the state budget by creating the Texas  
4 Gaming Commission, and authorizing and regulating the operation of  
5 casino games and slot machines by a limited number of licensed  
6 operators and certain Indian tribes.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 SECTION 1. Section 47(a), Article III, Texas Constitution,  
9 is amended to read as follows:

10 (a) The Legislature shall pass laws prohibiting lotteries  
11 and gift enterprises in this State other than those authorized by  
12 Subsections (b), (d), and (e) of this section and Sections 47a and  
13 47b of this article.

14 SECTION 2. Article III, Texas Constitution, is amended by  
15 adding Section 47a to read as follows:

16 Sec. 47a. (a) Casino gaming and slot gaming are authorized  
17 in this state in accordance with this section to provide additional  
18 money for the property tax relief fund and additional financial aid  
19 for higher education students.

20 (b) The Texas Gaming Commission is established. The  
21 commission is composed of five members appointed by the governor  
22 with the advice and consent of the senate. Commission members serve  
23 staggered six-year terms, with one or two members' terms, as  
24 applicable, expiring February 1 of each odd-numbered year. The

1 governor shall fill a vacancy in a position on the commission for  
2 the remainder of the unexpired term. The governor shall designate a  
3 commission member as presiding officer of the commission to serve  
4 in that capacity at the pleasure of the governor.

5 (c) To be eligible for appointment to the commission, a  
6 person:

7 (1) must be a citizen of the United States;

8 (2) must have resided in this state for the two years  
9 preceding the date of the person's appointment;

10 (3) may not own a financial or other interest in an  
11 entity engaged in the conduct of casino or slot gaming or the  
12 provision of casino or slot services, or in a security issued by  
13 such an entity, or be related within the second degree by affinity  
14 or the third degree by consanguinity as determined by general law to  
15 an individual who owns such a financial or other interest or  
16 security;

17 (4) may not be an applicant for or holder of a license  
18 or other affirmative regulatory approval under a law administered  
19 by the commission; and

20 (5) may not be a member of the governing body of a  
21 political subdivision of this state.

22 (d) The Texas Gaming Commission has broad authority and  
23 shall exercise strict control and close supervision over all  
24 activities related to casino and slot gaming authorized and  
25 conducted in this state under this section or another law  
26 administered by the commission.

27 (e) The Texas Gaming Commission shall appoint an executive

1 director and other necessary personnel and adopt rules the  
2 commission considers necessary or desirable for the public interest  
3 in carrying out the policy and provisions of this section and the  
4 other laws administered by the commission, including rules on:  
5       (1) licensing and regulating casino owners, slot  
6 establishment owners, gaming managers, gaming employees, and  
7 manufacturers and distributors of gaming equipment, including the  
8 qualifications, definitions, terms, and fees for licenses;  
9       (2) criteria for awarding, denying, revoking, and  
10 suspending licenses;  
11       (3) exclusion of persons and age requirements;  
12       (4) procedures for conducting investigations,  
13 inspections, criminal background investigations, audits, complaint  
14 investigations, and disciplinary hearings;  
15       (5) reporting and internal control requirements for  
16 license holders;  
17       (6) consequences of criminal convictions of license  
18 holders or applicants;  
19       (7) enforcement provisions, including disciplinary  
20 actions and penalties, and security requirements;  
21       (8) prize payment and redemption;  
22       (9) regulating the operations of casinos and slot  
23 establishments;  
24       (10) standards for gaming equipment; and  
25       (11) certifying independents testing laboratories to  
26 scientifically test and technically evaluate slot machines,  
27 electronic tables games, slot accounting systems and other

1 electronic gaming equipment as determined by the commission for  
2 compliance with the laws of the State of Texas and the rules of the  
3 commission. The gaming equipment manufacturers shall be  
4 responsible for the payment of all costs related to testing and  
5 technical evaluations. The independent testing laboratory must be  
6 accredited by an international accreditation body approved by the  
7 commission to demonstrate that it is competent and qualified to  
8 scientifically test and evaluate electronic gaming equipment. An  
9 independent testing laboratory shall not be owned or controlled by  
10 an electronic gaming equipment vendor, manufacturer or retailer.

11 (f) The Texas Gaming Commission shall:

12 (1) issue nine licenses to operate casinos or slot  
13 establishments to persons who are licensed to conduct pari-mutuel  
14 wagering on horse or greyhound races in the county for which the  
15 applicants were licensed to conduct pari-mutuel wagering on horse  
16 or greyhound races as of January 1, 2013 and who comply with  
17 requirements of this section and commission rule;

18 (2) issue three licenses to conduct casino gaming in  
19 this state to persons who are licensed to conduct pari-mutuel  
20 wagering at a class 1 racetrack as defined by Article 179e, Vernon's  
21 Texas Civil Statutes, at the location licensed for conducting  
22 pari-mutuel wagering on horse races and who comply with  
23 requirements of this section and commission rule;

24 (3) issue three licenses to conduct casino gaming to  
25 casino-anchored destination attraction development projects in  
26 counties with a population greater than 1.5 million that comply  
27 with requirements of this section and commission rule;

1           (4) issue three licenses to conduct casino gaming to  
2 casino-anchored destination attraction development projects  
3 located on islands in the Gulf of Mexico that comply with  
4 requirements of this section and commission rule; and

5           (5) allow an Indian tribe that is recognized by the  
6 United States government under federal law to operate slot machines  
7 or casino gaming on its Indian land held in trust by the United  
8 States on January 1, 1998, in accordance with federal law and:

9           (A) an effective gaming agreement that includes a  
10 provision requiring the Indian tribe to remit to this state a  
11 portion of its casino gaming or slot gaming revenue in an amount  
12 equal to the rate provided in the agreement; or

13           (B) general state law that includes a provision  
14 requiring the Indian tribe to remit to this state a portion of its  
15 casino gaming or slot gaming revenue in an amount equal to the rate  
16 provided by the general law.

17           (g) In determining whether or, in the case of multiple  
18 applicants competing for a limited number of casino owner's  
19 licenses or slot establishment owner's licenses within a geographic  
20 area, to whom to grant a license, the Texas Gaming Commission shall  
21 consider the following factors:

22           (1) the relative prospective revenue to be collected  
23 by this state from the conduct of casino gaming at the casino or of  
24 slot gaming at the slot establishment and the overall economic  
25 impact of each competing applicant's proposed gaming and associated  
26 facilities;

27           (2) the relative number of residents of this state who

1 would be employed in an applicant's proposed casino or slot  
2 establishment and any proposed associated hotel and nongaming  
3 businesses and the relative extent of the applicant's good faith  
4 plan to recruit, train, and promote a workforce that reflects the  
5 diverse populations of this state in all employment  
6 classifications;

7           (3) the relative extent to which an applicant's  
8 proposed casino or slot establishment and any proposed associated  
9 hotel and nongaming businesses could be reasonably expected to  
10 encourage interstate tourism to this state;

11           (4) the relative extent to which the scope, design,  
12 location, and construction of the applicant's casino or slot  
13 establishment and any associated hotel and nongaming businesses  
14 could be reasonably expected to contribute to developing a  
15 first-class gaming industry in this state;

16           (5) the applicant's experience in conducting licensed  
17 gaming operations and the applicant's financial ability to promptly  
18 construct and adequately maintain the casino or slot establishment  
19 sought to be licensed, including the experience of partners of the  
20 applicant, of affiliated companies of the applicant or its  
21 partners, of key personnel of the applicant or its partners, and of  
22 operating companies under contract with the applicant; and

23           (6) the percentage of equity interest in the applicant  
24 owned or to be owned by residents of this state.

25           (h) To ensure that a requisite level of economic development  
26 benefiting the people of this state accompanies each casino for  
27 which an owner's license is granted, the Texas Gaming Commission

1 shall require an applicant, as a condition to receiving and holding  
2 an owner's license, to commit to building a casino-anchored  
3 destination attraction development project that includes total  
4 land and development costs of at least:

5 (1) \$1 billion for a project described in Subsection  
6 (f)(3) of this section; or

7 (2) \$250 million for a project described in Subsection  
8 (f)(4) of this section..

9 (i) Notwithstanding Subsection (f) of this section:

10 (1) a license under Subsection (f)(1), (2), (3) or (4)  
11 may not be issued in a county unless:

12 (A) a majority of the voters of the county voted  
13 for the proposition that added this section to this constitution;  
14 or

15 (B) the voters of the county have approved a  
16 proposition legalizing casino gaming at a local option election  
17 held under this section;

18 (2) not more than two casino or slot establishment  
19 licenses may be issued for projects to be located in the same  
20 county;

21 (3) the commission may not issue more than three  
22 licenses for casinos and slot establishments located in any single  
23 Metropolitan Statistical Area, as that term is defined by the  
24 United States Office of Management and Budget;

25 (4) a casino owner's license may not be issued for a  
26 location in an area in which casino gaming or slot gaming is  
27 prohibited under a gaming agreement between an Indian tribe and

1 this state;

2 (5) the commission shall issue licenses provided for  
3 in Subsection (f)(4) prior to accepting applications for licenses  
4 under Subsection (f)(3); and

5 (6) a casino owner's license may not be issued for a  
6 location within five miles of property which the General Land  
7 Office is required to preserve and protect pursuant to Section  
8 31.0515, Natural Resources Code.

9 (j) The Texas casino and slot gaming fund is a special fund  
10 in the state treasury. All application fees, investigation fees,  
11 and license fees collected by the Texas Gaming Commission or on the  
12 commission's behalf related to casino and slot gaming shall be  
13 deposited to the credit of the Texas casino and slot gaming fund.  
14 Except as provided by this section, the Texas casino and slot gaming  
15 fund may only be used for the operation of the commission and the  
16 administration of this section. If the money in the fund exceeds  
17 the amount necessary for the operation of the commission and the  
18 administration of this section, the legislature shall transfer any  
19 excess amount to the dedicated account known as the property tax  
20 relief fund in the general revenue fund. Money from the property  
21 tax relief fund may only be appropriated for a purpose that results  
22 in a reduction of the average school district maintenance and  
23 operations tax rate or as otherwise provided by general law.

24 (k) An applicant applying for an owner's license for a slot  
25 establishment as set forth in Subsection (f)(1) must submit to the  
26 Texas Gaming Commission a \$15 million application fee. An  
27 applicant applying for an owner's license for a casino as set forth

1 in Subsection (f)(1) must submit to the Texas Gaming Commission a  
2 \$25 million application fee. An applicant applying for an owner's  
3 license as set forth in Subsection (f)(2) must submit to the Texas  
4 Gaming Commission a \$50 million application fee. An applicant  
5 applying for an owner's license as set forth in Subsection (f)(3)  
6 must submit to the Texas Gaming Commission a \$50 million  
7 application fee. An applicant applying for an owner's license as  
8 set forth in Subsection (f)(4) must submit to the Texas Gaming  
9 Commission a \$25 million application fee. If an applicant is not  
10 awarded an owner's license, the commission shall refund the  
11 application fee less the costs incurred by the commission in  
12 reviewing the application and conducting a criminal background  
13 investigation on the applicant.

14 (l) A casino gaming tax in an amount equal to 20 percent of  
15 the gross gaming revenue is imposed on each holder of a casino  
16 owner's license for facilities determined by the commission to have  
17 invested less than \$1 billion in the casino facility. The tax shall  
18 be computed and paid on a monthly basis in accordance with the  
19 procedures established by rule of the Texas Gaming Commission.

20 (m) A slot gaming tax in an amount equal to 20 percent of the  
21 gross slot income of the slot establishment operated under the  
22 license is imposed on each holder of a slot establishment owner's  
23 license. The tax shall be computed and paid on a monthly basis in  
24 accordance with the procedures established by rule of the Texas  
25 Gaming Commission.

26 (n) The casino gaming tax imposed under Subsection (l) shall  
27 be reduced to an amount equal to 15 percent of the gross gaming

1 revenue for facilities determined by the commission to have  
2 invested \$1 billion or more in the casino facility.

3 (o) Of the revenue from the taxes imposed by Subsections (l)  
4 and (m) of this section:

5 (1) one-twentieth of the revenue is allocated to the  
6 municipality in which the casino to which the license relates is  
7 located and one-twentieth of the revenue is allocated to the county  
8 in which the casino to which the license relates is located; or

9 (2) if the casino is located in an unincorporated  
10 area, one-tenth of the revenue is allocated to the county in which  
11 the casino to which the license relates is located.

12 (p) The comptroller of public accounts shall transfer the  
13 appropriate amount allocated under Subsection (o) of this section  
14 to the appropriate municipalities and counties not less than  
15 monthly in the manner the comptroller considers appropriate.

16 (q) Except as otherwise provided by this section, the  
17 revenue from the taxes imposed by Subsections (l) and (m) of this  
18 section is allocated as follows:

19 (1) one-fortieth to the general revenue fund for  
20 appropriation only to fund a compulsive gambling program  
21 established by the Texas Gaming Commission;

22 (2) one-fortieth to the general revenue fund for  
23 appropriation only to the Texas Gaming Commission to provide grants  
24 to prosecuting attorneys in this state for the investigation and  
25 prosecution of offenses related to the possession of gambling  
26 devices and illegal gambling operations; and

27 (3) the remainder to the property tax relief fund in

1 the general revenue fund.

2 (r) The comptroller of public accounts quarterly shall  
3 determine the net amount of receipts collected from a casino or slot  
4 establishment from the sales and use taxes, hotel occupancy taxes,  
5 alcoholic beverage taxes, and franchise taxes imposed under general  
6 law, or from other taxes imposed under general law as provided by  
7 the legislature in general law, and shall deposit that amount in the  
8 general revenue fund. The net amount deposited may only be  
9 appropriated to fund the TEXAS grant program established under  
10 Subchapter M, Chapter 56, Education Code, or a similar program  
11 established by the legislature to provide grants to higher  
12 education students in this state.

13 (s) Of the revenue from the taxes imposed under Subsection  
14 (l) and (m) for a casino or slot establishment located at a  
15 greyhound racetrack, nine-twentieths is allocated to a Texas  
16 canine development fund to be established and administered by the  
17 Texas Racing Commission.

18 (t) Of the revenue from the taxes imposed under Subsection  
19 (l) and (m) for a casino or slot establishment located at a horse  
20 racetrack, two-fifths is allocated to a Texas equine development  
21 fund to be established and administered by the Texas Racing  
22 Commission, and one-twentieth is allocated to a performance horse  
23 development fund to be established and administered by the Texas  
24 Racing Commission.

25 (u) For a casino at a racetrack that qualifies for the  
26 reduced tax rate under subsection (n), the allocations under  
27 subsections (s) and (t) shall be adjusted proportionally so that

1 the total minimum allocation under those provisions does not exceed  
2 nine percent of the total gross gaming revenue for the casino.

3 (v) A casino or slot establishment located at a horse  
4 racetrack shall provide at least \$1 million, or the minimum  
5 coverage amount required by the Texas Racing Commission, in  
6 accident insurance coverage for jockeys participating in a race  
7 meeting at its racetrack. The Texas Racing Commission:

8 (1) may review and approve the adequacy of the  
9 coverage;

10 (2) shall annually adjust for inflation the minimum  
11 coverage amount; and

12 (3) shall annually publish in the Texas Register the  
13 revised minimum coverage amount.

14 (w) Of the revenue allocated to the Texas equine development  
15 fund under Subsection (t), 0.5 percent is allocated to the equine  
16 research account of the Texas Agricultural Experiment Station for  
17 use in equine research, including facilities development under  
18 Subchapter F, Chapter 88, Education Code. The money transferred  
19 under this subsection shall supplement, and may not replace,  
20 funding provided under the Texas Racing Act (Article 179e, Vernon's  
21 Texas Civil Statutes).

22 (x) The remainder of the money deposited in the Texas equine  
23 development fund pursuant to Subsection (t) must:

24 (1) be used for purses and the Texas-bred incentive  
25 programs and may be used for other programs considered beneficial  
26 to the equine industry, including:

27 (A) equine retirement, adoption, and retraining

1 programs;

2 (B) programs to test for banned  
3 performance-enhancing equine drugs, performance-enhancing drug  
4 testing research, and equipment and facilities of laboratories  
5 providing those services in this state; and

6 (C) other programs to improve the working  
7 environment in stable areas of racetracks; and

8 (2) be allocated as follows:

9 (A) 40 percent shall be provided to the  
10 horsemen's organization to supplement Thoroughbred racing purses;

11 (B) 24.75 percent shall be provided to the  
12 horsemen's organization to supplement quarter horse racing purses;

13 (C) 24.75 percent shall be provided to the  
14 Thoroughbred state horse breed registry; and

15 (D) 10 percent shall be provided to the quarter  
16 horse state horse breed registry.

17 (y) From the money allocated under Subsection (x)(2)(A),  
18 under an agreement between the Texas Arabian Breeders Association  
19 and the horsemen's organization, the horsemen's organization shall  
20 allocate a portion of the money for purses for the Arabian horse  
21 racing industry. If an agreement is not made, the horsemen's  
22 organization shall provide 4.5 percent of the money allocated under  
23 Subsection (x)(2)(A) to the Texas Arabian horse racing industry for  
24 Arabian horse racing purses.

25 (z) From the money allocated under Subsection (x)(2)(B),  
26 under an agreement between the Texas Paint Horse Breeders'  
27 Association and the horsemen's organization, the horsemen's

1 organization shall allocate a portion of the money for purses for  
2 the paint horse racing industry. If an agreement is not made, the  
3 horsemen's organization shall provide three percent of the money  
4 allocated under Subsection (x)(2)(B) to the paint horse racing  
5 industry for paint horse racing purses.

6 (aa) From the money allocated under Subsection (x)(2)(C),  
7 under an agreement between the Texas Arabian Breeders Association  
8 and the Thoroughbred state horse breed registry, the registry shall  
9 allocate a portion of the money for the Arabian horse racing  
10 industry state-breed programs. If an agreement is not made, the  
11 Thoroughbred state horse breed registry shall provide 4.5 percent  
12 of the money allocated under Subsection (x)(2)(C) to the Texas  
13 Arabian horse racing industry for state-breed programs.

14 (bb) From the money allocated under Subsection (x)(2)(D),  
15 under an agreement between the Texas Paint Horse Breeders'  
16 Association and the quarter horse state horse breed registry, the  
17 registry shall allocate a portion of the money for state-breed  
18 programs for the paint horse racing industry. If an agreement is  
19 not made, the registry shall provide three percent of the money  
20 allocated under Subsection (x)(2)(D) to the paint horse racing  
21 industry for paint horse state-breed programs.

22 (cc) Of the revenues deposited in the Texas canine  
23 development fund pursuant to Subsection (s):

24 (1) forty percent shall be used to supplement  
25 greyhound racing purses;

26 (2) forty percent shall be used to supplement  
27 accredited Texas-bred greyhound purses; and

1           (3) twenty percent shall be provided to the Texas  
2 Greyhound Association as the state greyhound breed registry.

3           (dd) The Texas Racing Commission may adopt rules to  
4 administer this section.

5           (ee) Money in the performance horse development fund may be  
6 used only for:

7           (1) the development of the horse agricultural industry  
8 in this state through efforts intended to attract, retain, promote,  
9 and encourage the breeding, raising, training, and exhibition of  
10 performance and recreational horses in this state; and

11           (2) events and programs conducted in this state.

12           (ff) Money from the performance horse development fund is  
13 allocated as follows:

14           (1) forty percent to the American Quarter Horse  
15 Association for its sanctioned events and programs;

16           (2) twenty percent to the National Cutting Horse  
17 Association for its sanctioned events and programs;

18           (3) twenty percent to the American Paint Horse  
19 Association for its sanctioned events and programs; and

20           (4) twenty percent to the Department of Agriculture to  
21 promote the equine agricultural industry in this state.

22           (gg) Subject to Subsection (hh), money provided to an  
23 association or agency from the performance horse development fund  
24 may be used for:

25           (1) purse supplements or additional money for  
26 performance and recreational horses events conducted in this state;

27           (2) the establishment of an accredited Texas Bred

1 Program for breeding of performance and recreational horses;

2 (3) the marketing and promotion of performance and  
3 recreational horses activities and events in this state; and

4 (4) scholarship programs.

5 (hh) Money may be provided under Subsection (ff)(4) only to  
6 organizations of the equine industry in this state that are not  
7 receiving money for events and programs under Subsection (ff)(1),  
8 (2), or (3).

9 (ii) Except as otherwise provided by law, all money paid to  
10 the Department of Agriculture is subject to Subchapter F, Chapter  
11 404.

12 (jj) Casinos and slot establishments are subject to all  
13 applicable state laws and local ordinances related to health and  
14 building codes, including rules adopted by the Texas Gaming  
15 Commission. A local ordinance or zoning law may not prohibit the  
16 development of a casino or slot establishment authorized by this  
17 section, except that a casino or slot establishment may not be  
18 located in an area that is zoned exclusively residential, unless  
19 otherwise provided by commission rule.

20 (kk) The commissioners court of a county may at any time  
21 order an election to legalize casino gaming under this section in  
22 that county. The commissioners court shall order and hold an  
23 election to legalize casino gaming under this section in the county  
24 if the commissioners court is presented with a petition that meets  
25 the requirements of this section and is certified as valid under  
26 this section.

27 (ll) A petition for a legalization election must include a

1 statement substantially as follows before the space reserved for  
2 signatures on each page: "This petition is to require that an  
3 election be held in (name of county) to legalize casino gaming in  
4 (name of county)." A petition is valid only if it is signed by  
5 registered voters of the county in a number that is not less than  
6 three percent of the total number of votes cast for governor by  
7 qualified voters of the county in the most recent gubernatorial  
8 general election. Each voter must enter beside the voter's  
9 signature the date the voter signs the petition. A signature may  
10 not be counted as valid if the date of signing is earlier than the  
11 90th day before the date the petition is submitted to the  
12 commissioners court. Each voter must provide on the petition the  
13 voter's current voter registration number, printed name, and  
14 residence address, including zip code.

15 (mm) Not later than the fifth day after the date a petition  
16 for an election under this section is received in the office of the  
17 commissioners court, the commissioners court shall submit the  
18 petition for verification to the county clerk. The county clerk  
19 shall determine whether the petition is signed by the number of  
20 registered voters of the county required under Subsection (ll) of  
21 this section. Not later than the 30th day after the date the  
22 petition is submitted to the county clerk for verification, the  
23 clerk shall certify in writing to the commissioners court whether  
24 the petition is valid or invalid. If the county clerk determines  
25 that the petition is invalid, the clerk shall state the reasons for  
26 that determination.

27 (nn) If the county clerk certifies that a petition for an

1 election under this section is valid, not later than the 30th day  
2 after the date of certification, the commissioners court shall  
3 order that an election be held in the county on the next uniform  
4 election date provided under general law that allows sufficient  
5 time to comply with applicable provisions of general law. The  
6 commissioners court shall state in the order the issue to be voted  
7 on. The county clerk shall notify the Texas Gaming Commission by  
8 certified mail, return receipt requested, that an election has been  
9 ordered. The ballot in a legalization election shall be printed to  
10 provide for voting for or against the proposition: "Legalizing  
11 casino gaming within (name of county)."

12 (oo) The commissioners court shall give written notice of  
13 the results of the election to the Texas Gaming Commission not later  
14 than the third day after the date the election is canvassed. If the  
15 majority of votes cast in a legalization election under this  
16 section favor the legalization of casino gaming, casino gaming  
17 authorized under this section is permitted within the county  
18 holding the election effective on the 10th day after the date the  
19 election is canvassed. If less than a majority of the votes cast in  
20 the election favor the legalization of casino gaming, casino gaming  
21 is not permitted in the county, and a subsequent election on the  
22 issue may not be held in the county before the corresponding uniform  
23 election date one year after the date of the election. If in each of  
24 two consecutive elections within any county less than a majority of  
25 the votes cast favor the legalization of casino gaming, casino  
26 gaming is not permitted in the county, and a subsequent election on  
27 the issue may not be held in the county before the corresponding

1 uniform election date five years after the date of the second  
2 election.

3 (pp) It is a defense to prosecution for a gambling offense  
4 under general law that the action was authorized under this section  
5 or Texas Gaming Commission rule.

6 (qq) All shipments of slot machines or gaming devices into,  
7 out of, or within this state authorized under this section or a rule  
8 adopted by the Texas Gaming Commission are legal shipments of the  
9 devices and are exempt from the provisions of 15 U.S.C. Sections  
10 1171-1178, prohibiting the transportation of gambling devices.

11 (rr) Each state agency, including the attorney general and  
12 the comptroller of public accounts, and each state or local law  
13 enforcement agency shall cooperate with the Texas Gaming Commission  
14 as necessary to implement this section.

15 (ss) The legislature by general law may impose additional  
16 restrictions or requirements for the conduct of casino and slot  
17 gaming.

18 (tt) Unless specifically authorized by general law, a  
19 political subdivision of this state may not impose:

20 (1) a tax on the payment of a casino or slot prize;

21 (2) a tax, fee, or other assessment on consideration  
22 paid to play a casino or slot game authorized by this section; or

23 (3) a tax or fee on attendance at or admission to a  
24 casino or slot establishment authorized by this section.

25 (uu) In this section, unless modified by general law:

26 (1) "Casino" means a facility at which casino gaming  
27 is conducted by a licensed casino owner as authorized by this

1 section.

2 (2) "Casino gaming" means any game of chance or  
3 similar activity that involves the making of a bet for  
4 consideration. The term includes any type of slot machine or table  
5 game wagering using money, casino credit, or any representation of  
6 value. The term does not include bingo, charitable raffles, or the  
7 state lottery authorized under Section 47 of this article.

8 (3) "Casino owner" means a person, trust, corporation,  
9 partnership, limited partnership, association, limited liability  
10 company, or other business enterprise that directly holds an  
11 ownership or leasehold interest in a casino licensed as provided by  
12 this section.

13 (4) "Gross gaming revenue" means the total amount of  
14 consideration paid to engage in casino gaming less winnings paid to  
15 players of the casino games.

16 (5) "Gross slot income" means the total amount of  
17 consideration paid to play slot machines less winnings paid to  
18 players of the slot machines.

19 (6) "Performance and recreational horses" means  
20 horses bred or trained for public competition and exhibition or  
21 recreational use in all legally permitted equine activities other  
22 than horse racing at racetracks.

23 (7) "Slot establishment" means a facility at which  
24 slot gaming is conducted by a licensed slot establishment owner as  
25 authorized by this section.

26 (8) "Slot establishment owner" means a person, trust,  
27 corporation, partnership, limited partnership, association,

1 limited liability company, or other business enterprise that  
2 directly holds an ownership or leasehold interest in a slot  
3 establishment.

4 (9) "Slot gaming" means any game of chance that for  
5 consideration is played on a slot machine. The term does not  
6 include bingo, charitable raffles, or the state lottery authorized  
7 under Section 47 of this article.

8 (10) "Slot machine" means a mechanical, electrical, or  
9 other device or machine that, on insertion of a coin, token, or  
10 similar object or on payment of consideration, is available to play  
11 or operate a game, the play or operation of which, wholly or partly  
12 by the element of chance, may deliver or entitle the person playing  
13 or operating the device or machine to receive cash, premiums,  
14 merchandise, tokens, or any other thing of value, whether the  
15 payoff is made automatically from the device or machine or is made  
16 in another manner.

17 SECTION 3. Article III, Texas Constitution, is amended by  
18 adding Section 47b to read as follows:

19 Sec. 47b. (a) Any tribe of Indians that is federally  
20 recognized and has a reservation in Texas on or before January 1,  
21 1998 may, without application of state time, place and manner  
22 restrictions, conduct on its reservation class II gaming regulated  
23 by the National Indian Gaming Commission consistent with NIGC's  
24 regulation of gaming conducted by Indian tribes in other states and  
25 any other gaming activity that may be conducted by any other  
26 individual, organization, group or entity with the state.

27 (b) Class II gaming shall have the same meaning as in 25

1 U.S.C. Section 2703 of the Indian Gaming Regulatory Act.

2 SECTION 4. The following temporary provision is added to  
3 the Texas Constitution:

4 TEMPORARY PROVISION. (a) This temporary provision applies  
5 to the constitutional amendment proposed by the 83rd Legislature,  
6 Regular Session, 2013, creating the Texas Gaming Commission and  
7 authorizing and regulating the operation of casino games and slot  
8 machines by licensed operators and certain Indian tribes to provide  
9 money for the property tax relief fund and additional financial aid  
10 for higher education students.

11 (b) Not later than January 1, 2014, the governor shall  
12 appoint the initial members of the Texas Gaming Commission in  
13 accordance with Section 47a, Article III, of this constitution. In  
14 making the initial appointments, the governor shall designate one  
15 member to a term expiring February 1, 2015, two members to terms  
16 expiring February 1, 2017, and two members to terms expiring  
17 February 1, 2019.

18 (c) Not later than March 1, 2014, the Texas Gaming  
19 Commission shall adopt the rules, including any emergency rules,  
20 necessary to implement Section 47a, Article III, of this  
21 constitution.

22 (d) This temporary provision expires January 1, 2015.

23 SECTION 5. (a) The constitutional amendment proposed by  
24 Sections 1, 2, 3 and 4 of this resolution shall be submitted to the  
25 voters at an election to be held November 5, 2013. The ballot shall  
26 be printed to permit voting for or against the proposition: "The  
27 constitutional amendment creating the Texas Gaming Commission and

1 authorizing and regulating the operation of casino games and slot  
2 machines by a limited number of licensed operators and certain  
3 Indian tribes to provide money for the property tax relief fund and  
4 additional financial aid for higher education students."