



INTEROFFICE MEMO

Gary Grief, Executive Director

Alfonso D. Royal III, Charitable Bingo Operations Director

To: J. Winston Krause, Chairman
Carmen Arrieta-Candelaria, Commissioner
Peggy A. Heeg, Commissioner
Doug Lowe, Commissioner
Robert Rivera, Commissioner

From: Bob Biard, General Counsel

RJB

Date: August 8, 2017

Re: Consideration of the Status and Possible Approval of Orders in Enforcement Cases

The Legal Services Division staff recommends that the Commission approve each of the proposed orders in the enforcement cases presented under this item.

RECEIVED
2017 JUL 21 PM 12:40
EXECUTIVE DIRECTOR
LOTTERY

Commission Order No. 17-0050

Date: AUGUST 8, 2017

IN THE MATTER OF	§	BEFORE THE STATE OFFICE
	§	
	§	OF
THE REVOCATION OF CERTAIN	§	
LOTTERY RETAILER LICENSES	§	ADMINISTRATIVE HEARINGS

ORDER OF THE COMMISSION

During an open meeting in Austin, Texas, the Texas Lottery Commission (Commission) heard the license revocation cases listed on Attachment A hereto, in which the Texas Lottery Ticket Sales Agent (Respondent) in each referenced case did not appear at the scheduled hearing before the State Office of Administrative Hearings (SOAH) to respond to the allegations set forth in the Commission's notice of hearing.

I. Findings of Fact

1. Timely and adequate notice of the hearings in the referenced cases before SOAH was provided to each Respondent, pursuant to TEX. GOV'T CODE ANN. §§ 2001.051 and 2001.052, and 1 TEX. ADMIN. CODE § 155.401. Each notice of hearing included a disclosure in at least 12-point, bold-face type, that the factual allegations listed in the notice could be deemed admitted, and the relief sought in the notice of hearing might be granted by default against the party that fails to appear at hearing.

2. After timely and adequate notice was given in each case, each case was heard by a SOAH Administrative Law Judge (ALJ). In each case, the Respondent did not appear at the hearing.

3. The Commission, by and through its attorney of record, filed a motion to dismiss each of the referenced cases from the SOAH docket and to remand each case to

Commission Order No. 17-0050

Date: AUGUST 8, 2017

the Commission for informal disposition, in accordance with TEX. GOV'T CODE ANN. § 2001.058(d-1) and 1 TEX. ADMIN. CODE § 155.501(d).

4. The ALJ dismissed the referenced cases from the SOAH docket and remanded these cases to the Commission for informal disposition under TEX. GOV'T CODE ANN. § 2001.056.

II. Conclusions of Law

1. The Commission has jurisdiction over this matter pursuant to TEX. GOV'T CODE ANN. § 466.155 and 16 TEX. ADMIN. CODE, Chapter 401.

2. The Respondent in each of the cases listed on Attachment A violated the State Lottery Act and the Commission's Rules as set forth in the Commission's notice of hearing applicable to such Respondent. Specifically, each Respondent failed to deposit money due to the State received from lottery ticket sales under the State Lottery Act, in violation of TEX. GOV'T CODE ANN. § 466.351 and 16 TEX. ADMIN. CODE §§ 401.351 and 401.352.

3. The relief sought by the Commission Staff is fair, reasonable, and adequately protects the public.

III. Order

NOW, THEREFORE, IT IS ORDERED that, after review and due consideration of the administrative record, each of the cases listed on Attachment A hereto, which is incorporated into this Order for all purposes, is hereby disposed by default, and:

1. All allegations set forth in each notice of hearing in the cases listed on Attachment A are deemed admitted; and

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Date: AUGUST 8, 2017

2. The Texas Lottery Ticket Sales Agent License for each Respondent in the cases listed on Attachment A is hereby revoked.

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin, Texas, on the 8TH day of AUGUST, 2017.

Entered this 8TH day of AUGUST, 2017.

J. WINSTON KRAUSE, CHAIRMAN

CARMEN ARRIETA-CANDELARIA,
COMMISSIONER

PEGGY A. HEEG, COMMISSIONER

DOUG LOWE, COMMISSIONER

ROBERT RIVERA, COMMISSIONER

Commission Order No. 17-0050

Date: AUGUST 8, 2017

ATTACHMENT A

TAB NO.	SOAH DOCKET NO.	TICKET SALES AGENT NAME	TICKET SALES AGENT ADDRESS	LOTTERY LICENSE NO.
A.	362-17-3951	SGN Inc. d/b/a SGN Inc.	P.O. Box 972 Kilgore, TX 75663-0972	597994
B.	362-17-3952	Absolute Sales & Services Inc. d/b/a Super Amigos	7002 Military Parkway Dallas, TX 75227	179702
C.	362-17-4365	TB Diep Corporation d/b/a KP Food Store	3141 E. Crosstimbers Houston, TX 77093	156064
D.	362-17-4366	Zia Oil Company d/b/a Cookville Quick Stop	624 Westwind Dr. Allen, TX 75002-5899	173668

DOCKET NO. 362-17-3951

IN THE MATTER OF § BEFORE THE STATE OFFICE
§
THE REVOCATION OF § OF
THE LOTTERY RETAILER LICENSE §
OF SGN INC. d/b/a SGN INC. § ADMINISTRATIVE HEARINGS

ORDER OF DISMISSAL AND REMAND

A hearing on this matter was convened on May 25, 2017, before the State Office of Administrative Hearings (SOAH). Lea Garey, Assistant General Counsel, represented the Texas Lottery Commission (Commission). SGN Inc. d/b/a SGN Inc. (Respondent) did not appear. Timely and adequate notice of the hearing was provided to Respondent in accordance with Texas Government Code §§ 2001.051 and 2001.052, and 1 Texas Administrative Code §§ 155.401 and 155.501(b)(2). The Commission served the notice of hearing via certified mail at Respondent's last known address as it appears in the Commission's records, as authorized by 16 Texas Administrative Code § 401.205(4). The notice of hearing contained a statement of the time, place, and nature of the hearing; a statement of the legal authority and jurisdiction under which the hearing would be held; a reference to the particular sections of the statutes and rules involved; a short, plain statement of the factual matters asserted; and a statement in at least 12-point, bold-face type that the factual allegations listed in the notice could be deemed admitted and the relief sought might be granted by default against a party that failed to appear at the hearing.

Based on Respondent's failure to appear, Commission Staff filed a motion to remand, requesting dismissal of the case from SOAH's docket and remanding it to the Commission for informal disposition in accordance with Texas Government Code § 2001.058(d-1) and 1 Texas Administrative Code § 155.501(d). The ALJ concludes that the motion has merit and should be granted.

Accordingly, the motion to remand is granted, and the case is dismissed from SOAH's docket and remanded to the Commission for informal disposition under Texas Government Code § 2001.056.

SIGNED May 26, 2017.



CRAIG R. BENNETT
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS

DOCKET NO. 362-17-3952

IN THE MATTER OF § BEFORE THE STATE OFFICE
§
THE REVOCATION OF § OF
THE LOTTERY RETAILER LICENSE §
OF ABSOLUTE SALES & SERVICES §
INC., d/b/a SUPER AMIGOS § ADMINISTRATIVE HEARINGS


ORDER OF DISMISSAL AND REMAND

A hearing on this matter was convened on May 25, 2017, before the State Office of Administrative Hearings (SOAH). Lea Garey, Assistant General Counsel, represented the Texas Lottery Commission (Commission). Absolute Sales & Services, Inc. d/b/a Super Amigos (Respondent) did not appear. Timely and adequate notice of the hearing was provided to Respondent in accordance with Texas Government Code §§ 2001.051 and 2001.052, and Texas Administrative Code §§ 155.401 and 155.501(b)(2). The Commission served the notice of hearing via certified mail at Respondent's last known address as it appears in the Commission's records, as authorized by Texas Administrative Code § 401.205(4). The notice of hearing contained a statement of the time, place, and nature of the hearing; a statement of the legal authority and jurisdiction under which the hearing would be held; a reference to the particular sections of the statutes and rules involved; a short, plain statement of the factual matters asserted; and a statement in at least 12-point, bold-face type that the factual allegations listed in the notice could be deemed admitted and the relief sought might be granted by default against a party that failed to appear at the hearing.

Based on Respondent's failure to appear, Commission Staff filed a motion to remand, requesting dismissal of the case from SOAH's docket and remanding it to the Commission for informal disposition in accordance with Texas Government Code § 2001.058(d-1) and Texas Administrative Code § 155.501(d). The ALJ concludes that the motion has merit and should be granted.

Accordingly, the motion to remand is granted, and the case is dismissed from SOAH's docket and remanded to the Commission for informal disposition under Texas Government Code § 2001.056.

SIGNED May 26, 2017.


CRAIG R. BENNETT
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS

TEXAS LOTTERY COMMISSION

REVOCACTION HEARINGS

STATE OFFICE OF ADMINISTRATIVE HEARINGS

ATTACHMENT A

HEARING HELD: May 25, 2017

SOAH DOCKET NO.	LOTTERY TICKET SALES AGENT NAME	SALES AGENT ADDRESS	LOTTERY NO.	LICENSE
362-17-3951	SGN Inc., Agent D B A SGN Inc.	P.O. Box 972 Kilgore, TX 75663-0972	597994	
362-17-3952	Absolute Sales & Services Inc., Agent D B A Super Amigos	7002 Military Parkway Dallas, TX 75227	179702	

DOCKET NO. 362-17-4365

IN THE MATTER OF THE REVOCATION OF THE LOTTERY RETAILER LICENSE OF TB DIEP CORPORATION d/b/a KP FOOD STORE	§ § § § § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
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ORDER OF DISMISSAL AND REMAND

A hearing on this matter was convened on June 22, 2017, before the State Office of Administrative Hearings (SOAH). Stephen White, Assistant General Counsel, represented the Texas Lottery Commission (Commission). TB Diep Corporation d/b/a KP Food Store (Respondent) did not appear. Timely and adequate notice of the hearing was provided to Respondent in accordance with Texas Government Code §§ 2001.051 and 2001.052, and 1 Texas Administrative Code §§ 155.401 and 155.501(b)(2). The Commission served the notice of hearing via certified mail at Respondent's last known address as it appears in the Commission's records, as authorized by 16 Texas Administrative Code § 401.205(4). The notice of hearing contained a statement of the time, place, and nature of the hearing; a statement of the legal authority and jurisdiction under which the hearing would be held; a reference to the particular sections of the statutes and rules involved; a short, plain statement of the factual matters asserted; and a statement in at least 12-point, bold-face type that the factual allegations listed in the notice could be deemed admitted and the relief sought might be granted by default against a party that failed to appear at the hearing.

Based on Respondent's failure to appear, Commission Staff filed a motion to remand, requesting dismissal of the case from SOAH's docket and remanding it to the Commission for informal disposition in accordance with Texas Government Code § 2001.058(d-1) and 1 Texas Administrative Code § 155.501(d). The ALJ concludes that the motion has merit and should be granted.

Accordingly, the motion to remand is granted, and the case is dismissed from SOAH's docket and remanded to the Commission for informal disposition under Texas Government Code § 2001.056.

SIGNED June 22, 2017.



CRAIG R. BENNETT
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS

TEXAS LOTTERY COMMISSION
REVOCAION HEARINGS
STATE OFFICE OF ADMINISTRATIVE HEARINGS
ATTACHMENT A

HEARING HELD: June 22, 2017

SOAH DOCKET NO.	LOTTERY TICKET SALES AGENT NAME	SALES AGENT ADDRESS	LOTTERY NO.	LICENSE
362-17-4365	TB Diep Corporation, Agent D/B/A KP Food Store	3141 E. Crosstimbers Houston, Texas 77093	156064	

DOCKET NO. 362-17-4366

IN THE MATTER OF	§	BEFORE THE STATE OFFICE
	§	
THE REVOCATION OF	§	OF
THE LOTTERY RETAILER LICENSE	§	
OF ZIA OIL COMPANY	§	
d/b/a COOKVILLE QUICK STOP	§	ADMINISTRATIVE HEARINGS

ORDER OF DISMISSAL AND REMAND

A hearing on this matter was convened on June 22, 2017, before the State Office of Administrative Hearings (SOAH). Stephen White, Assistant General Counsel, represented the Texas Lottery Commission (Commission). Zia Oil Company d/b/a Cookville Quick Stop (Respondent) did not appear. Timely and adequate notice of the hearing was provided to Respondent in accordance with Texas Government Code §§ 2001.051 and 2001.052, and 1 Texas Administrative Code §§ 155.401 and 155.501(b)(2). The Commission served the notice of hearing via certified mail at Respondent's last known address as it appears in the Commission's records, as authorized by 16 Texas Administrative Code § 401.205(4). The notice of hearing contained a statement of the time, place, and nature of the hearing; a statement of the legal authority and jurisdiction under which the hearing would be held; a reference to the particular sections of the statutes and rules involved; a short, plain statement of the factual matters asserted; and a statement in at least 12-point, bold-face type that the factual allegations listed in the notice could be deemed admitted and the relief sought might be granted by default against a party that failed to appear at the hearing.

Based on Respondent's failure to appear, Commission Staff filed a motion to remand, requesting dismissal of the case from SOAH's docket and remanding it to the Commission for informal disposition in accordance with Texas Government Code § 2001.058(d-1) and 1 Texas Administrative Code § 155.501(d). The ALJ concludes that the motion has merit and should be granted.

Accordingly, the motion to remand is granted, and the case is dismissed from SOAH's docket and remanded to the Commission for informal disposition under Texas Government Code § 2001.056.

SIGNED June 22, 2017.



CRAIG R. BENNETT
 ADMINISTRATIVE LAW JUDGE
 STATE OFFICE OF ADMINISTRATIVE HEARINGS

**TEXAS LOTTERY COMMISSION
 REVOCATION HEARINGS
 STATE OFFICE OF ADMINISTRATIVE HEARINGS**

ATTACHMENT A

HEARING HELD: June 22, 2017

SOAH DOCKET NO.	LOTTERY TICKET SALES AGENT NAME	SALES AGENT ADDRESS	LOTTERY NO.	LICENSE
362-17-4366	Zia Oil Company, Agent D/B/A Cookville Quick Stop	624 Westwind Dr. Allen, Texas 75002-5899	173668	

Commission Order No. 17-0061

Date: AUGUST 8, 2017

DOCKET NO. 362-17-1854.B

TEXAS LOTTERY COMMISSION	§	BEFORE THE TEXAS
PETITIONER	§	
	§	
VS.	§	
	§	
OUR LADY OF GUADALUPE	§	
REFORMED CATHOLIC CHURCH	§	
RESPONDENT	§	LOTTERY COMMISSION

ORDER OF THE COMMISSION

TO: Mr. Sergio Ibarra
Our Lady of Guadalupe Reformed Catholic Church
2111 Goliad Rd.
San Antonio, TX 78223

During an open meeting in Austin, Texas, the Texas Lottery Commission (Commission) heard the above styled case in which Our Lady of Guadalupe Reformed Catholic Church (Respondent) did not appear at the scheduled hearing before the State Office of Administrative Hearings (SOAH) to respond to the allegations set forth in the Commission's notice of hearing.

I. Findings of Fact

1. Timely and adequate notice of the hearing in the referenced case before SOAH was provided to the Respondent, pursuant to TEX. GOV'T CODE ANN. §§ 2001.051 and 2001.052 and 1 TEX. ADMIN. CODE §§ 155.401 and 155.501(b)(2). The notice of hearing included a disclosure in at least 12-point, bold-face type, that the factual allegations listed in the notice could be deemed admitted, and the relief sought in the notice of hearing might be granted by default against the party that fails to appear at hearing.

Commission Order No. 17-0061

Date: AUGUST 8, 2017

2. After timely and adequate notice was given to the Respondent, the case was heard by a SOAH Administrative Law Judge (ALJ). The Respondent did not appear at the hearing.

3. The Commission, by and through its attorney of record, filed a motion to dismiss the case from the SOAH docket and to remand the case to the Commission for informal disposition, in accordance with TEX. GOV'T CODE ANN. § 2001.058(d-1) and 1 TEX. ADMIN. CODE § 155.501(d).

4. The ALJ conditionally dismissed the case from the SOAH docket and remanded the case to the Commission for informal disposition under TEX. GOV'T CODE ANN. § 2001.056, provided the Respondent did not file a motion to set aside the default no later than 15 days from the date of the conditional order of default dismissal and remand issued by the ALJ.

5. The Respondent did not file a motion to set aside the default within the 15 days from the date of the conditional order issued by the ALJ.

II. Conclusions of Law

1. The Commission has jurisdiction over this matter pursuant to TEX. OCC. CODE ANN. §§ 2001.312(e) and 2001.353(a), and 16 TEX. ADMIN. CODE, Chapter 402.

2. The Respondent violated the Bingo Enabling Act, (Chapter 2001, TEX. OCC. CODE ANN.); and/or the Charitable Bingo Administrative Rules, (Title 16 TEX. ADMIN. CODE, Chapter 402) as set forth in the Commission's notice of hearing.

3. The relief sought by the Commission Staff is fair, reasonable, and adequately protects the public.

Commission Order No. 17-0061

Date: AUGUST 8, 2017

III. Order

NOW, THEREFORE, IT IS ORDERED that, after review and due consideration of the administrative record of the above styled case, this matter is hereby disposed of by default, and:

1. All allegations set forth in the Commission's notice of hearing in the case are deemed admitted; and
2. The license of Our Lady of Guadalupe Reformed Catholic Church to conduct bingo is hereby revoked.

Passed and approved at the regular meeting of the Texas Lottery Commission in Austin, Texas, on the 8TH day of AUGUST, 2017.

Entered this 8TH day of AUGUST, 2017.

J. WINSTON KRAUSE, CHAIRMAN

CARMEN ARRIETA-CANDELARIA,
COMMISSIONER

PEGGY A. HEEG, COMMISSIONER

DOUG LOWE, COMMISSIONER

ROBERT RIVERA, COMMISSIONER

SOAH DOCKET NO. 362-17-1854.B

TEXAS LOTTERY COMMISSION, Petitioner	§	BEFORE THE STATE OFFICE
	§	
	§	
v.	§	OF
	§	
OUR LADY OF GUADALUPE REFORMED CATHOLIC CHURCH, Respondent	§	ADMINISTRATIVE HEARINGS

ORDER NO. 1
CONDITIONAL ORDER OF
DEFAULT DISMISSAL AND REMAND

This matter was set for hearing on May 9, 2017, before Administrative Law Judge (ALJ) Shannon Kilgore. Assistant General Counsel Stephen White appeared on behalf of the staff (Staff) of the Texas Lottery Commission (Commission). Respondent Our Lady of Guadalupe Reformed Catholic Church did not appear and was not represented at the hearing. Upon receiving Staff's Exhibits A-C showing proof of adequate notice to Respondent, the ALJ granted Staff's oral motion for default.¹

Due to Respondent's failure to appear, this case may be dismissed from the docket of the State Office of Administrative Hearings and returned to the Commission for informal disposition in accordance with Texas Government Code § 2001.056. **IT IS ORDERED** that this case is **CONDITIONALLY DISMISSED AND REMANDED** pursuant to 1 Texas Administrative Code § 155.501(d)(1). **This order of dismissal will become final, without further action by the ALJ, unless Respondent files a motion to set aside the default not later than 15 days from the date of this order.** Such a motion must show good cause for reopening the hearing, or show that the interests of justice require setting aside the default dismissal.

SIGNED May 10, 2017.



SHANNON KILGORE
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS

¹ 1 Tex. Admin. Code § 155.501(d)(1). The ALJ only reviewed the adequacy of the notice and not the sufficiency of Staff's factual allegations.



Texas Lottery Commission



Commissioners:

J. Winston Krause, Chairman • Carmen Arrieta-Candelaria

Peggy A. Heeg • Doug Lowe • Robert Rivera

Alfonso D. Royal III
Director

FIRST CLASS UNITED STATES MAIL
and
CERTIFIED MAIL NO. 91 7199 9991 7030 8543 2284

April 11, 2017

Mr. Sergio Ibarra
Our Lady of Guadalupe Reformed Catholic Church
2111 Goliad Rd.
San Antonio, TX 78223

**RE: NOTICE OF HEARING CONCERNING SUSPENSION OR REVOCATION OF
LICENSE
DOCKET NO. 362-17-1854.B
OUR LADY OF GUADALUPE REFORMED CATHOLIC CHURCH,
CONDUCTOR
TAXPAYER NUMBER: 12645543625**

Dear Mr. Ibarra:

Be advised that a public hearing will be held to consider whether the charitable bingo conductor's license of Our Lady of Guadalupe Reformed Catholic Church, member of Pecan Valley Bingo Unit (Unit), should be suspended or revoked, and/or administrative penalties assessed, based on the violation of the Bingo Enabling Act, (TEX. OCC. CODE ANN. Chapter 2001); and/or the Charitable Bingo Administrative Rules, (Title 16 TEX. ADMIN. CODE, Chapter 402) as outlined below.

The hearing has been set as follows:

TIME OF HEARING:	9:00 a.m.
DATE OF HEARING:	May 9, 2017
LOCATION OF HEARING:	State Office of Administrative Hearings William P. Clements Building 300 West 15th Street, 4th Floor Austin, Texas 78701

I.
Factual Matters Asserted

Our Lady of Guadalupe Reformed Catholic Church, member of Pecan Valley Bingo Unit (Unit), failed to have positive net proceeds for the third quarter of 2015 through the second quarter of 2016, as required by TEX. OCC. CODE ANN. § 2001.451(g)(1) and 16 TEX. ADMIN. CODE § 402.452. Specifically, net proceeds for the Unit and its members, including Our Lady of Guadalupe Reformed Catholic Church, resulted in negative net proceeds of \$9,293 for the third quarter of 2015 through the second quarter of 2016. On September 1, 2016, the Charitable Bingo Operations Division (Division) received an Application for Waiver to exempt the Unit and its members, including Our Lady of Guadalupe Reformed Catholic Church, from the net proceeds requirement for the period from the third quarter of 2015 through the second quarter of 2016, in accordance with TEX. OCC. CODE ANN. § 2001.451(k). On October 14, 2016, the Division notified the Unit and its members, including Our Lady of Guadalupe Reformed Catholic Church, that it failed to show good cause that compliance with net proceeds requirement would be detrimental to the organizations' existing or planned charitable purposes. Consequently, Unit's and its members', including Our Lady of Guadalupe Reformed Catholic Church, request for waiver was denied.

II.
Applicable Statutes and Rules

TEX. OCC. CODE ANN. § 2001.438(f) and (g) state in part:

Each member of a unit is jointly and severally liable for compliance with the Bingo Enabling Act, and that each member of a unit may be a party to any administrative or judicial action relating to the enforcement of the Bingo Enabling Act and Rules.

TEX. OCC. CODE ANN. § 2001.353(a)(1) and (2) state in part:

After a hearing, the commission may suspend, revoke, or refuse to renew a license issued under this chapter for: (1) failure to comply with this chapter or a commission rule; or (2) a reason that would allow or require the commission to refuse to issue or renew a license of the same class.

TEX. OCC. CODE ANN. § 2001.451(g)(1) states in part:

The bingo operations of a licensed authorized organization must: (1) result in net proceeds over the organization's license period.

TEX. OCC. CODE ANN. § 2001.451(k) states in part:

A licensed authorized organization may apply to the commission for a waiver of the requirements of this section and Section 2001.457. The commission may grant the waiver on a showing of good cause by the organization that compliance with this section and Section 2001.457 is detrimental to the organization's existing or planned charitable

purposes. An organization applying for a waiver establishes good cause by providing to the commission:

- (1) credible evidence of circumstances beyond the control of the organization, including force majeure; or
- (2) a credible business plan for the organization's conduct of bingo or the organization's existing or planned charitable purposes.

16 TEX. ADMIN. CODE § 402.452(c) and (e) state in part:

(c) Calculation of Net Proceeds for Units.

(1) Net proceeds for units will be calculated at the end of each quarter for the prior four (4) quarter period.

(2) Members of units failing to meet the net proceed requirement may subject their license to conduct bingo to administrative action, up to and including revocation.

(3) The calculation of net proceeds for a licensed authorized organization that withdraws from a unit will be based on the following for the four (4) calendar quarters immediately preceding the license end date:

(A) the amount of distributions received from the unit; and

(B) the licensed authorized organization's quarterly reports.

(4) The Commission may request additional information from a member of a unit to assist in the determination of compliance with this section.

(e) A licensed authorized organization may apply for a waiver from the net proceeds requirement by showing good cause that compliance is detrimental to the organization's existing or planned charitable purposes. Waiver applications must be submitted in accordance with §402.450 of this chapter (relating to Request for Waiver).

TEX. OCC. CODE ANN. § 2001.601 states:

The commission may impose an administrative penalty against a person who violates this chapter or a rule or order adopted by the commission under this chapter.

TEX. OCC. CODE ANN. § 2001.602 states in part:

The amount of the administrative penalty may not exceed \$1,000 for each violation. Each day a violation continues or occurs may be considered a separate violation for purposes of imposing a penalty.

All visitors to the William P. Clements Building without an agency or DPS issued ID card will be required to sign a log and receive a visitor's pass. Persons going to a hearing at the State Office of Administrative Hearings will need to identify to the security officer the hearing that they are attending. Persons must provide the officer with the SOAH docket number to be allowed access to the hearing room. Individuals should allow additional time to go through the security process. Failure to provide the docket number may result in delaying the individual's arrival to the hearing.

The hearing will be conducted in accordance with the Bingo Enabling Act, the Texas Government Code, Chapter 2001; the Texas Rules of Evidence; Title 16 of the Texas Administrative Code, Chapter 402; and the Rules of Procedure of the State Office of Administrative Hearings, Title 1, Texas Administrative Code, Chapter 155. You are entitled to be represented by a lawyer, but it is your responsibility to obtain and pay for such representation.

A court reporter will be present, and a record of the proceedings will be created. It is, however, the sole and exclusive responsibility of each party to request and pay for any printed transcript.

The licensee is also advised that no settlement of this case is authorized after the hearing commences. This means that the case will go forward unless the Charitable Bingo Operations Division determines that the licensee has satisfied all requirements for the retention of the license before the hearing commences.

It is the responsibility of the licensee to make all arrangements necessary to satisfy all requirements for the retention of the license and to provide proof of doing so to the Charitable Bingo Operations Division, so that this determination can be made before the hearing commences.

No payment for delinquent prize fees, taxes, penalty or interest will be accepted at the location of the hearing.

Please note this notice of hearing is not a summons. If you do not oppose suspension or revocation of this license, your appearance at the hearing is not required. If you do oppose suspension or revocation of the license, you have the right to appear and present evidence.

FAILURE TO APPEAR AT THE HEARING MAY RESULT IN THE ALLEGATIONS AGAINST YOU SET OUT IN THIS NOTICE OF HEARING BEING ADMITTED AS TRUE AND THE RELIEF REQUESTED MAY BE GRANTED BY DEFAULT.

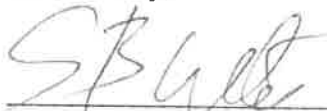
The State Office of Administrative Hearings (SOAH) is now offering you the ability to receive service of orders and other documents issued by SOAH through email rather than mail or fax. To elect to receive service of SOAH-issued documents by email, go to the SOAH website (www.soah.state.tx.us), click on the "Service by Email" tab, and follow the instructions. **NOTE: Your request to receive SOAH-issued documents by email does not change the procedures you must follow in order to file documents with SOAH. The requirements for filing documents and providing copies to the other parties are set out in Sections 155.101 and**

155.103 of SOAH's Procedural Rules, which are available on SOAH's website under the "Procedural Rules" tab.

Parties that are not represented by an attorney may obtain information regarding contested case hearings on the public website of the State Office of Administrative Hearings at www.soah.texas.gov, or in printed format upon request to SOAH.

The Commission reserves the right to amend this Notice of Hearing.

Respectfully,



STEPHEN WHITE
Assistant General Counsel
Texas Lottery Commission

CERTIFICATE OF SERVICE

Pursuant to the Texas Rules of Civil Procedures, Rule 21a, I do hereby certify that on this the 11 day of April, 2017, a true and correct copy of the foregoing **NOTICE OF HEARING CONCERNING SUSPENSION OR REVOCATION OF LICENSE**, Docket No. 362-17-1854.B, has been served by First Class United States Mail and Certified Mail No. 91 7199 9991 7030 8543 2284, by depositing each mailing in a post office or official depository under the care and custody of the United States Postal Service, enclosed in a postpaid wrapper properly addressed to Mr. Sergio Ibarra, Our Lady of Guadalupe Reformed Catholic Church, 2111 Goliad Rd., San Antonio, TX 78223.



STEPHEN WHITE
Assistant General Counsel
Texas Lottery Commission
P.O. Box 16630
Austin, Texas 78761-6630
(512) 344-5465
(512) 344-5189 Fax

cc: State Office of Administrative Hearings
Charitable Bingo Operations Division

Mr. Jose Gloria
7634 Umbra Heights
San Antonio, TX 78252

(Certified Mail No. 91 7199 9991 7030 8543 2291
and First Class U.S. Mail)

Ms. Alicia Hernandez
ABH Property Management, LLC
12330 Nacogdoches Rd.
San Antonio, TX 78217-2124

(Certified Mail No. 91 7199 9991 7030 8543 2079
and First Class U.S. Mail)

Mr. Adrian Gould
Pecan Valley Bingo Unit
2111 Goliad Rd.
San Antonio, TX 78223-3219

(Certified Mail No. 91 7199 9991 7030 8543 2086
and First Class U.S. Mail)